

MANAGEMENT AND SUSTAINABILITY REPORT
2021



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For over 12 years, we have reported the most important milestones, challenges, and financial and extra-financial results of our business to our stakeholders and the general public, based on our commitment to transparency and a desire to render an accounting.

Our sustainability model is embedded into our business strategy, allowing us to continue to develop long-term strategic actions in line with our stakeholders' expectations and interests and to keep sustainability at the center of our decisions.

Our Management and Sustainability Report 2021 is the second one we have presented in a consolidated manner, in conformance with the Core option of the GRI standards. It describes in expanded form the main results for the economic, social, and environmental performance of our operations in Colombia from January 1 to December 31 of the year 2021, and also includes the main results of our operations in Ecuador, Panama, Peru, and the Dominican Republic.

We have structured the report around the seven (7) material topics identified and validated during the most recent materiality exercise in 2020. The information in the financial statements is for the consolidated operations of Colombia, Ecuador, Panama, Peru, and the Dominican Republic.

Terpel has aligned the presentation of some of the information related to human talent with the criteria and ranges proposed by our largest shareholder, Empresas Copec S.A. External assurance for the report was provided by the firm KPMG, and it was validated by internal control systems and directly monitored by Terpel's executive team, guaranteeing its integrity and credibility.

The document is also is our Communication on Progress (CoP) for the United Nations Global Compact. For further information on Terpel's sustainable development model or sustainability reports, go to <https://www.terpel.com/en/Sostenibilidad>

Contact:

Andrea Cheer
Corporate Affairs Director
E-Mail: andrea.cheer@terpel.com

Valeria Bernal
Head of Corporate Responsibility
E-mail: valeria.bernal@terpel.com

LETTER FROM OUR PRESIDENT

In times of adversity such as those experienced by humanity during the pandemic, resilience is an increasingly important characteristic for individuals, societies, companies, and countries. The Royal Spanish Academy -RAE- defines resilience as the "capacity to adapt in response to a disruptive agent or an adverse condition or situation." It is also the "capacity of a system to recover its initial state when the disturbance to which it was subjected has ceased."

Resilience was undoubtedly the engine, during 2021, that drove our reactivation and enabled us to join the country in its recovery from the impacts of the pandemic.

Thanks to our focus on sustainable development and disciplined, passionate, and innovative teamwork, we attained outstanding results and were able to meet the strategic, commercial, and financial goals we set for this period. I am especially thankful for the confidence of our shareholders and investors, the unconditional support from our partners in all our business segments, the backing from the communities located near our operations and, of course, the preference our customers give Terpel.

More than ever, we say to individuals and the country, we are at your service. We serve with excellence, and we serve with optimism and good cheer. Our vocation drives us to rise to challenges daily and to create differentiated products and services that give us a privileged place in the hearts of consumers.

Today it gives me great pride to present our 13th Management and Sustainability Report, and to describe to you how, through resilience, we have achieved important economic, social, and environmental results and recognition. Some of the most significant outcomes are the following:

- Thanks to disciplined implementation of our business strategy, **we maintained leadership** in the service station segment, with a 44.3% market share, in the CNG segment with 46.7% of the market, and in aviation fuel with 79%.
- **We inaugurated sales of our first differentiated fuel.** We pioneered the development and launched the first super premium gasoline in Colombia (GT Extra 98). The fuel also received recognition from the Ministry of Science and Technology as an innovation project relevant to the needs of Colombia and the world that works in favor of sustainability and economic development.

RESILIENCE WAS UNDOUBTEDLY THE ENGINE, DURING 2021, THAT DROVE OUR REACTIVATION AND ENABLED US TO JOIN THE COUNTRY IN ITS RECOVERY FROM THE IMPACTS OF THE PANDEMIC.

- **We received important awards.** For the sixth consecutive year we were on the list of the most sustainable companies in Colombia and the world in the Dow Jones Sustainability Index (retail segment). Standard & Poor's confirmed our 'AAA' rating, and Fitch Ratings also confirmed our 'AAA (col)' and 'F1+ (col)' ratings. For the seventh consecutive year we received from the Colombian Securities Exchange the IR (Investor Relations) Recognition for issuers.
- **We transformed the image of our Altoque stores, and implemented a new quick and friendly service model.** Our goal for this transformation is to connect more strongly with our surroundings, give Colombians a friendly and tasty stop during road trips, and have a positive impact on communities. Altoque offers products made by Colombian enterprise.



FOR THE SIXTH CONSECUTIVE YEAR WE WERE ON THE LIST OF THE MOST SUSTAINABLE COMPANIES IN COLOMBIA AND THE WORLD ON THE DOW JONES SUSTAINABILITY INDEX (RETAIL SEGMENT).

- We launched our own brand with a social purpose, Agua Madre Altoque.
 - We made progress implementing our digital transformation model through initiatives related to process automation and the incorporation of fast and efficient digital systems, in line with the needs of our business and the operation.
 - We gave visibility to our commitment to gender equity, diversity, and inclusion through our new corporate policy and through sustained implementation of the "No Labels" campaign. This has allowed us to build a more inclusive working environment, promote innovation, and increase employee pride.
 - In the framework of our commitment to the country's energy transition, we promoted decarbonization initiatives. We closed out the year with five electric charging points at service stations, under the brand Terpel Voltex. In partnership with Flux Solar, we formed the company Flux Terpel to generate energy using photovoltaic solar panels.
 - We strengthened our environmental team to further increase the robustness of our strategies and actions on the fronts of climate change and the circular economy, moving down the path we mapped out in our corporate stance.
 - We marked a milestone for the country's fuel market with the construction and start up in Cartagena of the first service station offering liquefied petroleum gas (LPG) to the public, promoting large-scale use of this fuel gas based on its environmental and economic benefits.
 - We are the first private company in the hydrocarbons sector to place in the Merco ranking for Social Responsibility and Corporate Governance. We are ranked 25th out of 100 for best practices in this area, moving up seven positions with respect to last year.
 - We were recognized as one of the 25 most-admired companies last year by the firm Cifras y Conceptos.
 - We closed out the year with 15 solar self-generation plants in the country.
 - With a score of 42.4%, Terpel continues to lead with the highest brand value in its category, achieving a 1.7 point increase over the year 2020 according to the study by Brand Equity Monitor.
- I invite you to read the full report that summarizes the passion, commitment, and dedication of the entire team to keep Colombia and the other countries where we operate on the move. Thank you to each and every one of you for accompanying us on this journey.

OSCAR BRAVO RESTREPO

President
Organización Terpel S.A

GLOBAL AND NATIONAL CONTEXT

The year 2021 was marked by the impacts of COVID-19 and its new variants, and the rollout of massive vaccination plans around the world. The pandemic affected the political, economic, and social climate in the areas of job creation, economic growth, and social unrest, among others.

Despite the fact that consumption returned to pre-pandemic levels, supply chains did not reactivate with the same speed. This led to scarcities in products and inputs and affected consumption patterns, especially in advanced economies, causing a worldwide inflationary trend.

In Colombia, the year began with a high unemployment rate. According to the National Department of Statistics (DANE), from January to September the unemployment rate was on average 14.6%¹. It improved in the last quarter, closing the year at 11%².

To mitigate the effects of the pandemic and make a deeper social investment, the national government in April presented a proposal for tax reform that would raise 26.1 trillion Colombian pesos in revenue. The initiative led to social unrest expressed in protests. The country's social instability, together with the inability to legislate a tax reform that might help cover a growing fiscal deficit, generated the loss of the risk rating from S&P Global Ratings.

According to the *Balance 2021 y Perspectivas 2022* report by the National Business Association of Colombia, ANDI, one of the most important actions the executive branch took in terms of reactivating the economy was to launch the National Vaccination Plan in February. By the end of 2021, according to the Ministry of Health³, 55.6% of the nation's population had been fully vaccinated, and the administration of booster shots began.

The trend toward recovery was confirmed by the Organisation for Economic Co-operation and Development (OECD). It stated that the Colombian economy stabilized in 2021, reaching levels of economic activity similar to those recorded prior to the pandemic (third quarter of 2021).

By the close of the year, inflation had reached 5.62%⁴, the highest figure for the last five years. According to the ANDI, this increase was caused by the adverse effects of the pandemic, supply chain difficulties with raw materials and inputs as well as their higher cost, and increases in the cost of freight and other logistics⁵.

1. Information taken from: <https://www.dane.gov.co/files/investigaciones/boletines/ech/ech/presentacion-mercado-laboral-enero-2021.pdf>
2. Information taken from: https://twitter.com/DANE_Colombia/status/1488183850794639369?cxt=HHwWkoCzsfvUi6cpAAAA
3. Information taken from: <https://twitter.com/MinSaludCol/status/1477675285248159763?t=Y6kSOX2fBAvEuXKA3IPgw&s=09>
4. Information taken from: <https://www.portafolio.co/economia/en-vivo-dane-entrega-resultados-de-la-inflacion-de-diciembre-de-2021-560247>
5. Information from the report, *Balance 2021 y Perspectivas 2022* by the ANDI

SECTOR CONTEXT

The Colombian Petroleum Association, ACP, stated in its economic report *Evolucion 2021 y perspectivas 2022-2030 del mercado de combustibles líquidos en Colombia* that the total demand for liquid fuels (gasoline, diesel, and jet fuel) was on average 302 thousand barrels per day (KBD) in 2021. That figure is similar to pre-pandemic consumption in the year 2019 (299 KBD), and represents a 27% growth in demand over the year 2020. According to the association, the country's economic reactivation was behind this increment, with motorcycles and private cars consuming the majority. A growth in demand in border areas also contributed to the increase in consumption.

The report's results did vary, however, for different products. Extra gasoline, for example, experienced growth of 9% (0.3 KBD) over 2019, due to a greater number of new vehicles that require high octane fuel. Meanwhile, growth was weaker for diesel than for gasoline, due to lower use of public transportation and the increasing use of electric and gas-powered buses by mass transportation systems.

Demand for aviation fuel (Jet A1) was just 81% of consumption in 2019 (25 KBD versus 31 KBD), with jet fuel recovery trailing the recovery of other fuels.

With respect to the price of a barrel of oil, it experienced a steady rise during 2021.

According to the ACP, the recovery in 2021 will be followed by a continued increase in the demand for liquid fuels in 2022.

Relative to infrastructure, the Ministry of Mines and Energy approved works to expand existing and build new infrastructure as part of the expansion plan for the country's pipelines. The purpose is to strengthen the fuel transportation system and mitigate potential short and medium-term risks to a continuous and sufficient fuel supply for the nation⁶.

Regarding the energy transition, the ACP stated that liquid fuels will continue to be the main source of energy for the transportation sector, and that demand will continue to increase as the country's economy grows. The gradual incorporation is expected, however, of other energy sources such as natural gas and electricity.

Demand for CNG, on its part, increased during 2021 in the heavy vehicle segment. According to the Colombian Natural Gas Association, Naturgas, 1,587 new vehicles were added to the fleet of CNG-powered heavy vehicles, reaching a new total of 4,061, a 64% increase over 2020. The types of vehicles that most frequently use this technology are buses (2,126), tractor-trailers (606), semi-trailers (563), and accordion buses (179).

More than 16,000 light vehicles converted to CNG last year, reaching a new total of 639,000 vehicles converted.

6. Information taken from: <https://www.minenergia.gov.co/web/10180/1332?idNoticia=24324342>

Liquefied Petroleum Gas (LPG) also made a contribution to the country's energy transition. According to the Minister of Mines and Energy, in 2021 demand for LPG grew more than 5%, making it a key player in the sustainable mobility strategy⁷.

To promote the use of new forms of energy, Colombia passed the Energy Transition Law in 2021, which will also make the country attractive for investment in non-conventional renewable energy. Last year, progress was seen in the implementation of alternative energy projects such as wind and solar.

According to the figures presented by the National Sustainable Mobility Association (Andemos), in 2021 there were a total of 250,497 new cars on the road. Of those new cars, 17,702 were electric and hybrid vehicles, representing an increase of 194.8% over 2020. Breaking that figure down further, 1,712 were electric, 14,694 hybrid,

and 1,296 plug-in hybrids⁸. The number of charging points also grew. According to the Electromaps webpage⁹ as of last December, Colombia had 393 public charging points located in 171 municipalities of the country.

Work in this sector in 2021 has focused on a commitment to sustainability, which has driven public policy and initiatives for the mitigation of and adaptation to climate change. This includes the diversification of sustainable energy, which would permit the coexistence of different energy sources while guaranteeing the country's energy security. At the same time, it would generate resources and development opportunities for the regions.



7. Information taken from: <https://www.larepublica.co/economia/la-demanda-local-de-gas-licuado-de-petroleo-ha-aumentado-5-en-lo-corrido-del-ano-3259913>
8. Information taken from: <https://www.larepublica.co/economia/el-ano-pasado-se-matricularon-250497-vehiculos-nuevos-328-mas-que-en-2020-3282837>
9. www.electromaps.com

terpel

EDS

6

EDS

5



Terpel creates memorable experiences with all its brands, and keeps the country on the move.

We are Colombia's most experienced company in the distribution and marketing of liquid fuels, compressed natural gas (CNG), and lubricants. We have also made increasing headway in the markets for electric mobility, LPG, and convenience services.

Our more than 50 years of experience in the market have motivated us to grow and innovate daily in benefit of consumers, and to stimulate the development and mobility of the country's different regions. We do this in strict compliance with ethics, integrity, and transparency. And we do it with care and respect for human rights, for the environment, and for the importance of working in coordination with all our stakeholders.

We manage our value proposition with an attitude of service, strategic discipline, and results orientation. Exercising leadership and teamwork, we keep people at the center of our decisions. That's how we can generate a differentiated offer, with a sustainability focus that incorporates the criteria of ESG (environmental, social, and corporate governance) as a strategic part of business decision-making, ensuring profitability with sustainability.

We operate in five countries in the region: Colombia, Peru, Ecuador, Panama and the Dominican Republic. We provide our different services in response to the needs of consumers, wherever they are located, making us the No. 1 brand in those countries.



Consolidated figures

A Colombian company with an international presence

Sales Volume	EBITDA	Net profit
2,867 millones de galones ^ +27% over 2020	\$1,198,826 millones de pesos ^ 111% over 2020	\$375,722 millones de pesos ^ 1,045% ¹⁰ over 2020
Economic value retained (EVR) (EVG-EVD=EVR)		VALUE ¹¹
Economic value generated (EVG) ¹²		23,142,511 million pesos
Economic value distributed (EVD) ¹³		22,627,911 million pesos
Operating costs ¹⁴		1,152,016 million pesos
Payments to providers ¹⁵		20,773,698 million pesos
Payments to shareholders ¹⁶		0 million pesos
Payments to governments ¹⁷		323,846 million pesos
Investment in the community ¹⁸		6,260 million pesos
Salaries and benefits		372,091 million pesos
Economic value retained (EVR)(EVG-EVD=EVR) ¹⁹		514,600 million pesos

10. We had a loss of 39.7 billion pesos in 2020. In 2021, we had earnings of 375.7 billion pesos.

11. Figures are from the company's financial statements (P&L).

12. Corresponds to the company's income.

13. Includes payments to suppliers, employee salaries and benefits, payments to the government, and community benefits.

14. Includes fees, insurance, rent, services, marketing, maintenance, travel, depreciation, and amortization.

15. Includes all cost accounts.

16. Corresponds to dividends declared.

17. Corresponds to P&L tax expenses excluding deferred taxes.

18. Includes the expenses of the Terpel Foundation, donations to hospitals, donations of fuel and money, and corporate responsibility programs.

19. Corresponds to company income less distributions. It is the economic value generated less the economic value distributed.

A COLOMBIAN COMPANY WITH
AN INTERNATIONAL PRESENCE



Organización Terpel Colombia in Figures

Sales Volume Liquid fuel service stations (Terpel-owned and affiliates) 2021

1,626
million gallons

Market share service stations

44.3%

Market share Aviation

79%

Sales Volume Aviation

282
million gallons

Sales Volume Marine

13
million gallons

Sales Volume Industry

160²⁰
million gallons

Sales Volume CNG

195²¹
million m³

Market share CNG

46.7%

Sales volume LPG at service stations

0.022
million gallons

Sales Volume Lubricants

23.2
million gallons



1,960

Number of liquid fuel service stations



1,496

Direct jobs - Organización Terpel



16,000

Indirect jobs, approximately



343²²

Convenience stores



31

Supply Plants



21

Airports served

20. Includes industry CNG sales.

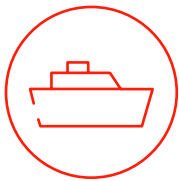
21. Volume does not include corporate service stations. The figure for corporate service stations is 205 million gallons.

22. Includes Altoque stores (including the mobile events store), refreshment kiosks and carwashes.



234

CNG fueling stations



23

Marine terminals served



1

LPG station



5

Electric mobility
charging points



1

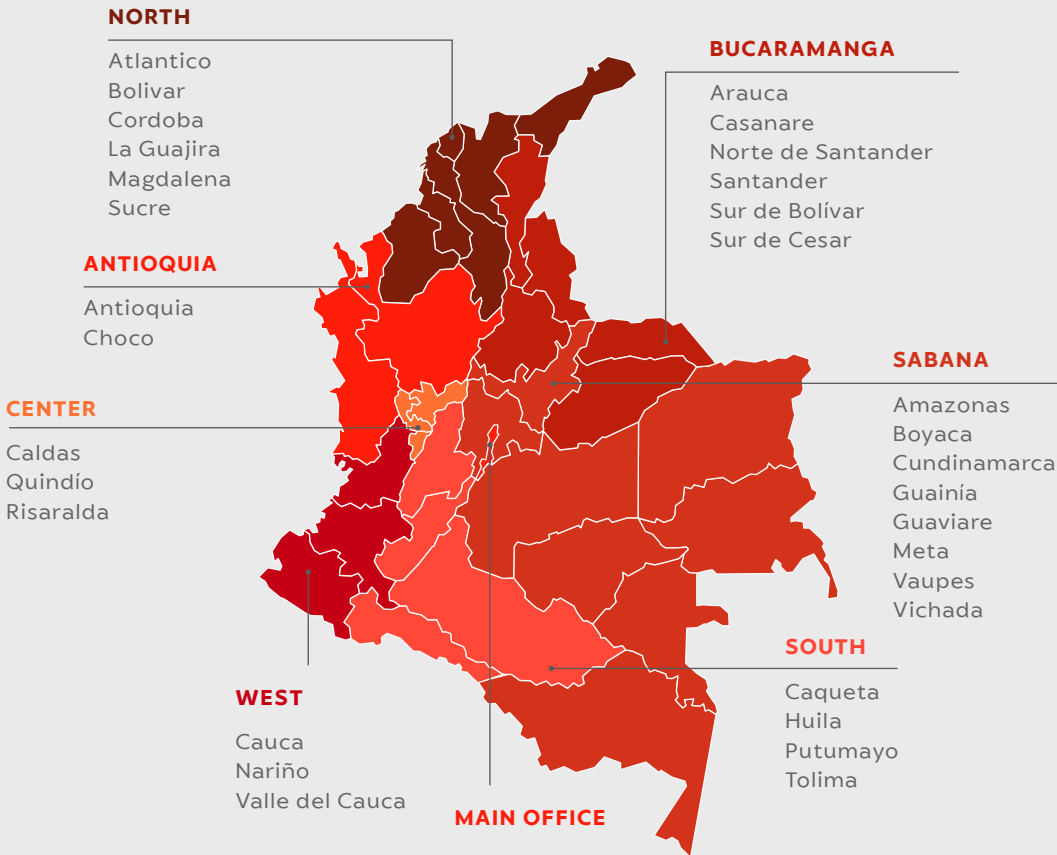
Bus charging
terminal



3

Bus yards to supply
power to electric mass
transportation

WHERE WE ARE LOCATED



OUR BUSINESS MODEL

The majority of our lines of business are associated with supply chains for fuels, natural gas, and lubricants. We also have a share of the electric mobility market through our charging points, and we strengthen our value proposition through convenience services

Operation	Business Line	
Fuel Operation	Service stations	A broad network of service stations with a modern and innovative design
	Fuels for industry	Fuel supplied to the internal fueling stations of industrial customers
	Aviation fuels	Aviation fuel for aircraft at different airports in the region
	Marine fuels	Marine diesel supplied to a great variety of vessels at different ports in the region
Natural Gas Operation	Fueling stations for compressed natural gas (CNG)	Promotion of clean fuels such as LPG and CNG, which produces 50% less CO ₂
	Fueling stations for liquefied petroleum gas (LPG)	
	Gas distribution for industry	
Lubricants Operation	Lubricants	Production, sales, and distribution of Mobil and Terpel lubricants
New Energy Sources	New energy sources New mobility	Development of clean energy and the installation of electric charging points for vehicles and mass transportation systems Sales of electrical power and natural gas.
Convenience services	Convenience stores	Integrated services - beyond just filling up - at convenience stores, carwashes, and refreshment kiosks.
	Carwashes	
	Refreshment kiosks	

Our strategy

Vision

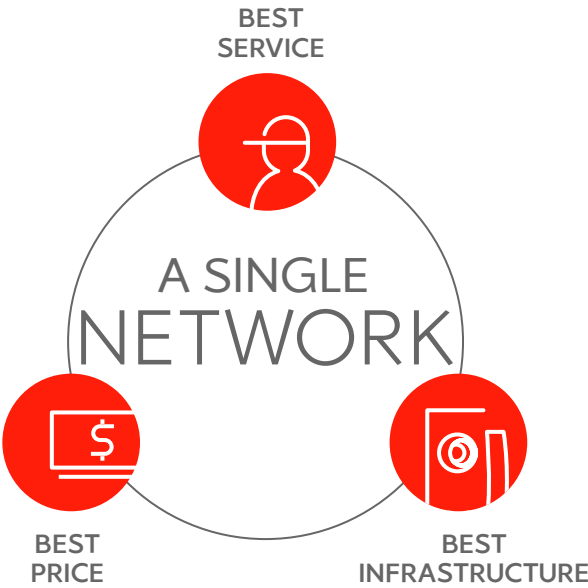
By the year 2025, a highly inspirational team will make Terpel the #1 brand in service, recognized as a Country Partner

Mission

Terpel creates memorable experiences with all its brands, and keeps the country on the move

Values

Our strategic purposes are based on three values: Integrity, respect, and reliability.



Our philosophy pursues efficiency and satisfaction for the final consumer, focusing on "serving people, not cars", and seeking to be the #1 brand in their hearts. It is supported by these three pillars:

1. Best service: our vocation to service is the fuel powering our projects and achievements. It's what allows us as a company to outstrip all others and hold a privileged place in the hearts of consumers. We offer new and innovative products and services that appeal to our users, in accordance with the highest standards for excellence.

- 2. Best Infrastructure:** our service stations have a modern and updated infrastructure, with a design that's unique in the world. We have stations dedicated exclusively to motorcycles, convenience stores with products of excellent quality and food in line with regional tastes, and carwashes for those who love to take care of their vehicles, among many other services
- 3. Best prices:** taken as a whole, our network continues to have the most competitive prices in each micro market where we operate. And this completes the equation that adds up to making us the best option for our consumers.

Memberships and partnerships that create value

Partnerships

- Agency for Reincorporation and Normalization (ARN)
- Victims Unit
- Casa Libertad

Affiliations

- United Nations Global Compact
- Global Compact Network, Colombia
- Colombian Network Against Child Labor
- LGTB Business Chamber
- Women Working for the World
- Women in Connection
- Colombian Institute of Corporate Governance - ICGC
- Office of the Secretary of Transparency
- Colombian Route for Integrity
- Transparency for Colombia
- Ideas para la Paz Foundation

Industry Associations

- Colombian Petroleum Association (ACP)
- National Business Association of Colombia (ANDI)
- Colombian Association of Natural Gas in Colombia (NATURGAS)

WE HAVE INVESTED 698 BILLION COLOMBIAN PESOS IN THESE INDUSTRY ASSOCIATIONS IN THE FORM OF MEMBERSHIP FEES.

Partnerships for sustainable development: We are aware of our role as economic and social agents in Colombia, and are convinced our business will have its greatest positive impact on society, the environment, and the economy when we act in an ethical, conscientious, responsible, and sustainable manner, and when we report our business dealings in a public and transparent way.

Because Terpel understands better than ever how interconnected we all are, how vulnerable we are, and the importance of working together, it has joined forces with Grupo Exito, Bavaria, Movistar, ISA, Postobon, Enel, Ecopetrol, Grupo Sura, Grupo Nutresa, Grupo Argos, and Grupo Bancolombia. We have been working jointly for over a year, based on our commitment to the sustainable development of Colombia, taking actions that will move us toward a more prosperous economy oriented toward compliance with the 2030 Agenda and the commitments of the Paris Agreement.

As a group, our businesses have more than 45 million customers and users, 203,000 employees, 126,000 suppliers, 374,000 investors, and close to 20% of the Colombian GDP. Indirectly, we have an impact on all of Colombian society.

CERTIFIED OPERATIONAL EXCELLENCE

We manage our operations with excellence, and they are certified under a variety of standards. See details about our certifications in *Annex 1*.

Standard & Poor's gave Terpel its 'AAA' rating, in recognition of our ability to make quick and timely decisions that maintained adequate liquidity levels to sustain the operation, meet all financial commitments, and continue to execute the expansion plan. This recognition reflects the market's confidence in our company's credibility, stability, and solidity.

CONSOLIDATED FIGURES

Total company income

In millions of pesos

16,389,627
2020

23,142,511
2021

EBITDA (KPI)

(Millions)²³

567,943
2020

1,198,826
2021

EBITDA (KPI)

(Millions)²⁴

488,377
2020

1,105,028
2021

Net earnings/ loss (KPI)

(Millions)

375,722
2021

-39,738
2020

CAPEX / EBITDA

(%)

56.4
2020

36.3
2021

CAPEX/ EBITDA ADJ

(%)

65.6
2020

39.4²⁵
2021

Cash flow to sales

(%)

3.7
2020

3.0
2021

Cash flow to net income

(times)

-15.3
2020

1.88
2021

ROE

(%)

-2.0
2020

14.6
2021

23. EBITDA with IFRS effects.

24. EBITDA without IFRS effects.

25. Without IFRS effects.

DURING 2021 WE RECEIVED 1.7 BILLION COLOMBIAN PESOS FROM THE GOVERNMENT IN PAYROLL SUBSIDIES FOR COMPANIES SEVERELY AFFECTED BY THE PANDEMIC.

TAXES

Terpel's tax policy is available to the public on our website, using the following link: <https://www.terpel.com/Global/version-ingles/tax-management.pdf>

Earnings (loss) before taxes **555,938** million pesos

Taxes reported **180,217** million pesos

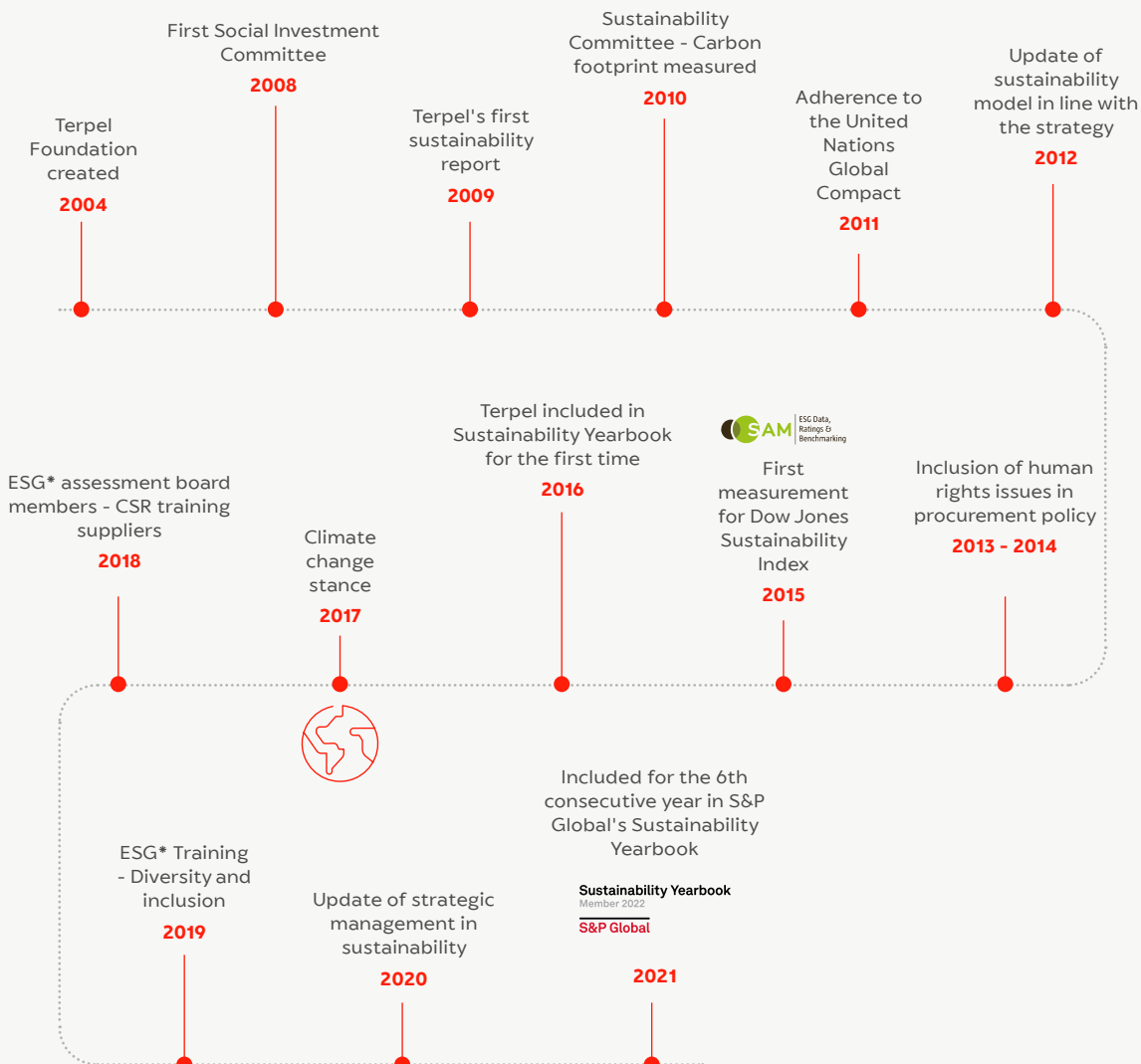
Cash tax paid **268,358** million pesos

10 years receiving Fitch Ratings' highest rating: AAA

Fitch Ratings renewed Organización Terpel's long-term and short-term national ratings of 'AAA (col)' and 'F1+col),' respectively, reflecting our company's robust competitive position and solid capital structure.





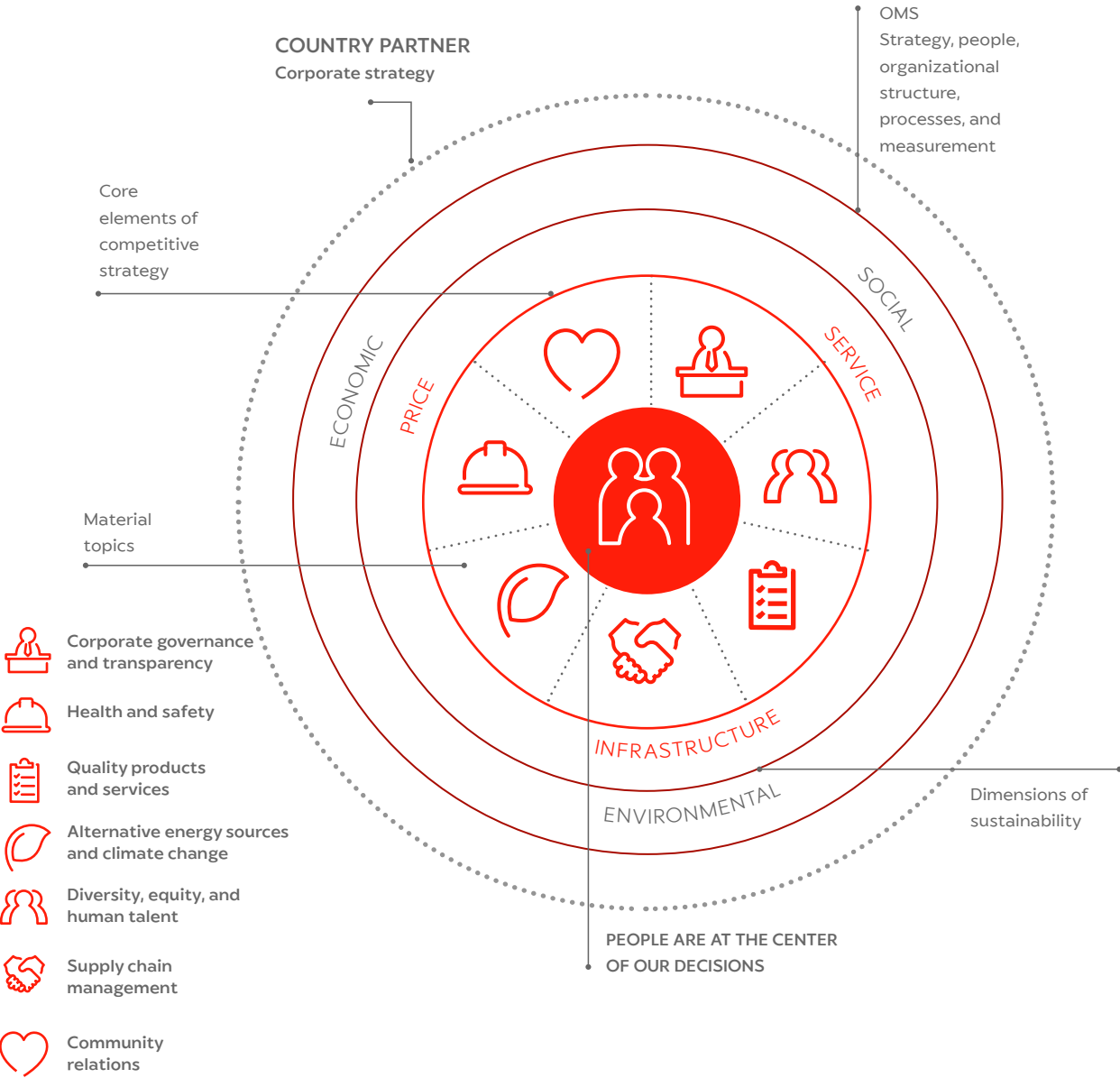


26. Companies in the top 15% of their industry and with an S&P Global ESG score among the top 30% for their industry are included in the Yearbook.

OUR SUSTAINABILITY MODEL

At Terpel, people have always been at the center of our decisions, and this priority continues to be the root of the actions we take and the basis for our strategy. That's why including sustainability in our business model has been a natural process, a product of organizational maturity and integration with global trends.

Our sustainability model has people at its core, who are our strategic focus. That core is encircled by the key elements of our competitive strategy, and the three dimensions of sustainability: economic, environmental, and social. The concentric circles, from the center outward, symbolize the model's relevance to the entire organization and the coordination necessary to promote sustainability.



We manage sustainability in line with the seven material topics (MTs) we have determined to be the most relevant aspects that allow us to create value for the company and for our stakeholders:

1. Corporate governance and transparency
2. Quality products and services
3. Alternative energy sources and climate change
4. Diversity, equity, and human talent
5. Health and safety
6. Supply chain management
7. Community relations

These action fronts are connected with the core elements of our competitive strategy and our business strategy, because they are the basis for offering our customers the best price, the best infrastructure, and excellent service.

Defining ourselves and recognized as a "Country Partner," our model is framed within this higher concept. It means we pursue alignment with the most pressing concerns in the countries where we operate. It also means we generate quality jobs, value, and prosperity in our surroundings.

STRATEGIC ALIGNMENT OF MATERIALITY

During 2021 we took a deeper look at our materiality analysis to strengthen its alignment with the company's strategic management. The exercise arose out of a need to connect the new material topics with the goals and plans of each business line and to identify synergies and challenges in order to manage sustainability in a more integrated manner. To that end, all areas of the organization were involved. They were given the task of connecting the material topics (MT) with the Balance Scorecard and with their objectives and strategic projects. They were asked to explore in detail areas of convergence in managing sustainability.

The result of the process was an integrated approach demonstrating how each MT connects with Terpel's strategic pillars and with the management of the business, and identifying the associated corporate risks.

OUR STAKEHOLDERS

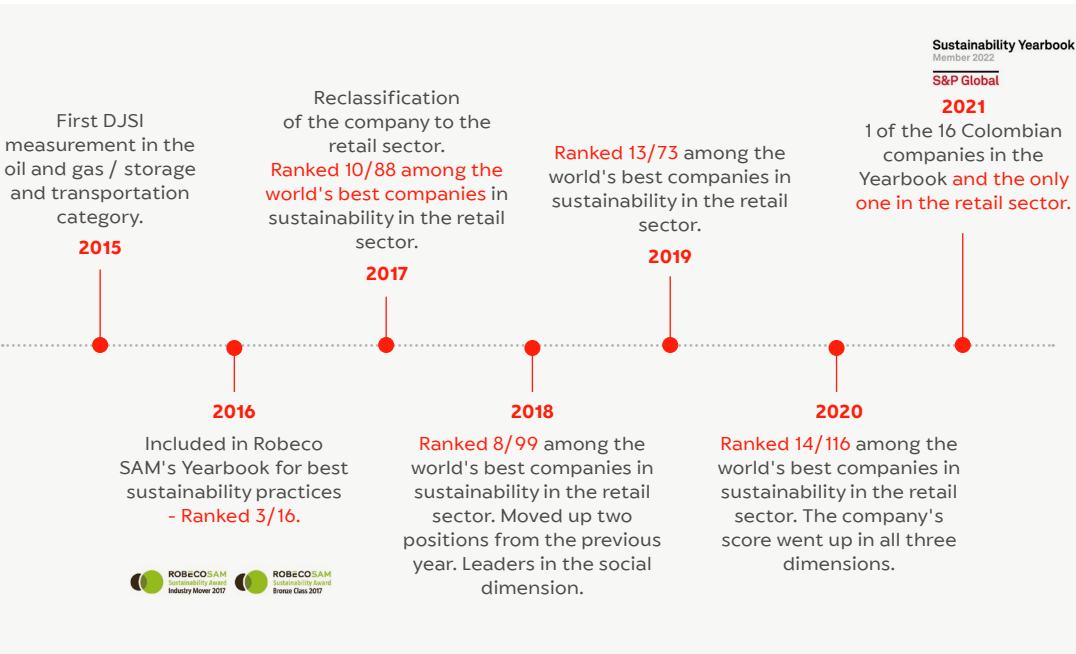
The model also illustrates interactions with the organization's stakeholders and their relevance to decision-making. As a result of the exercise to update our stakeholder map, we have defined nine groups made up of close to 32 subgroups. Characterizing stakeholders gives us a high degree of precision that can help strengthen continued engagement and build long-term relationships of trust.

- Shareholders/ Investors
- Customers
- Partners in the operation
- Suppliers
- Employees
- Institutions
- Industry associations
- Communities
- Civil society

TERPEL IN THE DOW JONES SUSTAINABILITY INDEX (DJSI)

The maturity and development of our social, environmental, and economic practices make us part of a select group worldwide in terms of excellence in sustainability. Beginning our disciplined sustainability reporting in the year 2015, in 2021, for the sixth consecutive year, we were recognized as one of the world's most sustainable companies in the retail sector.

Being listed in this index is just one more demonstration of the soundness and stability of our practices.



In 2021, although our results were the same as for the previous year, our score was 35 points higher than the average. We improved our score for several components as a result of our strategic management and the work of the entire Terpel team.

SUSTAINABLE DEVELOPMENT GOALS

We continue to be committed to the Sustainable Development Goals (SDGs) defined by the United Nations as the roadmap for improving the quality of life

of societies around the world. We have identified two arenas for our contribution to the 2030 Agenda and the Sustainable Development Goals. We contribute, on the one hand, in the context of actions directly related to our business, and, on the other hand, through our voluntary actions as a Country Partner. We have prioritized actions targeting the following SDG's:

CONTRIBUTION TO THE SDG'S FROM OUR BUSINESS:

SDG 5 y SDG8:

Our "No Labels" program developed practices and activities that make Terpel more inclusive.

SDG7:

We made a special contribution to goals 7.2 and 7b through the new electric mobility services launched by the New Energies Department, including Voltex, CNG, and LPG. We strengthened connectivity across the nation by installing electric charging stations along green corridors on Colombia's strategic routes.

SDG8:

The entire company contributed to this goal through the creation of quality jobs. The Restoring Dreams program contributed in particular to goal 8.3 by supporting productive activities, entrepreneurialism, and job creation. And we contributed to goal 8.5 by promoting jobs for disabled people through the "No Labels" program, in partnership with the Best Buddies Foundation.

SDG 13:

We contributed to two sub goals of SDG 13. The installation of solar panels at work centers targeted goal 13.1, and the reliable service station program contributed to 13.3 by improving environmental education and raising awareness of environmental issues, including the impacts and effects of climate change.

SDG 17:

Partnerships with institutions such as the Agency for Reincorporation and Normalization and the World Corporation of Women Colombia generated opportunities to contribute to **SDG 10** in the areas of reconciliation and peace building. We also made a contribution to this goal as part of G12, the group of companies that work in favor of sustainable development in Colombia.



CONTRIBUTION TO THE SDGS THROUGH VOLUNTARY ACTIONS AS PART OF OUR COUNTRY PARTNER COMMITMENT:

Fuel donations:

SDG 2:

We contributed to goal 2.1 through donations to the Food Bank.

SDG 3: We contributed to goals 3.7 and 3.8 through donations to the Colombian Civil Air Patrol and the Colombian Red Cross that facilitated medical and surgical campaigns, delivered medicine, and attended to patients.

Monetary donations:

SDG 3:


Our donation of money to foundations that work to provide access to essential high-quality healthcare for vulnerable population groups, including surgery, medication, and general healthcare services, made a contribution to goal 3.8.

Improving education:

SDG 4:

Through the Terpel Foundation we worked toward the following goals: companywide programs that promote quality education targeted goal 4.1. New interactive classrooms contributed to goal 4.a, and teacher training contributed to goal 4.c.

- ▶ Corporate governance and transparency
- ▶ Quality products and services
- ▶ Alternative energy sources and climate change
- ▶ Diversity, equity, and human talent
- ▶ Health and safety
- ▶ Supply chain management
- ▶ Community relations



High standards for transparency run through everything we do, and are the basis of our credibility: stakeholders know interaction with us will create value for them. We promote behavior that is desirable for society through ethical principles for decision-making based on compliance with current legislation, international standards, and corporate policies.

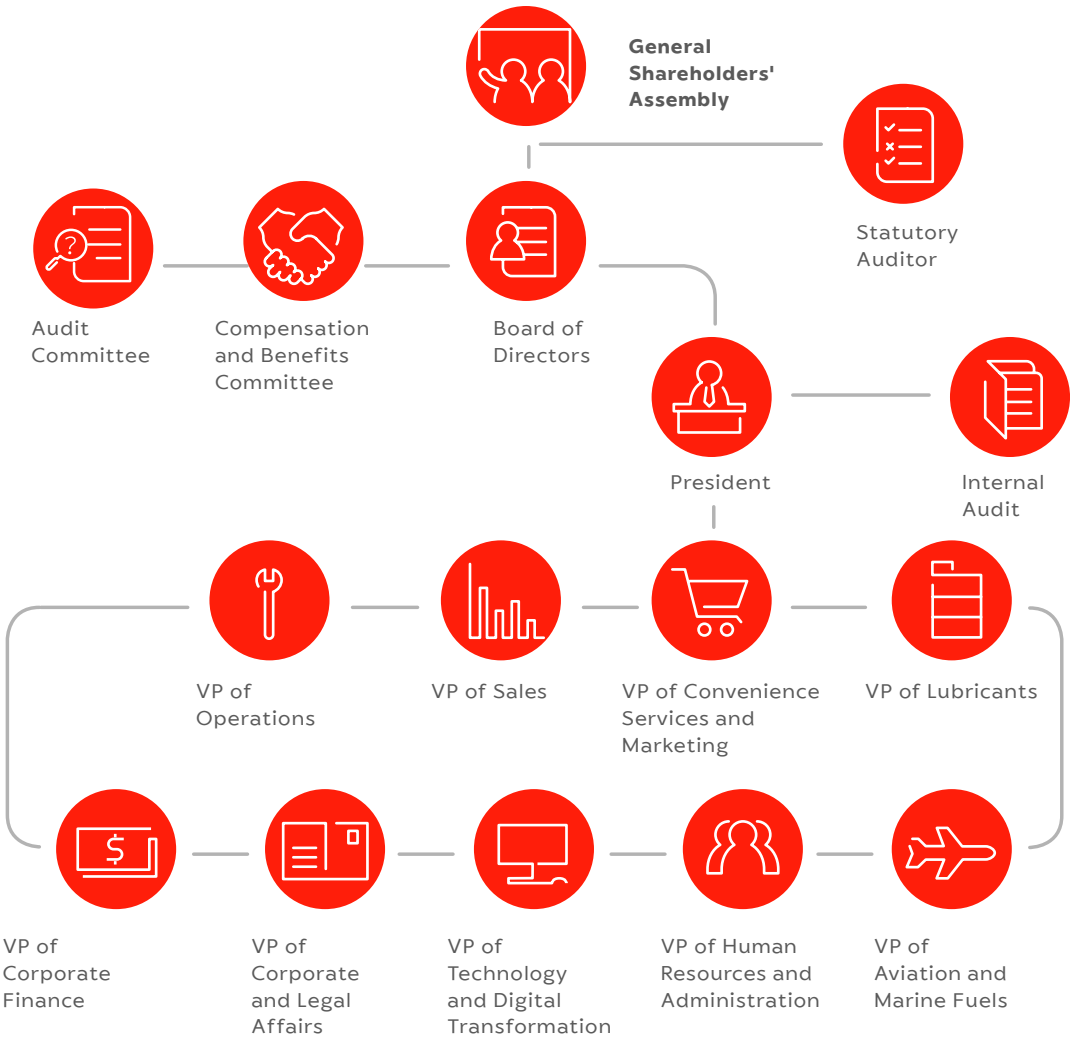
Our business is committed to best practices in corporate governance and principles for actions such as respect, transparency, integrity, trust, and equitable treatment in all stakeholder relations.

Our decision-making is based on ethics and integrity, in compliance with corporate policy, current legislation, and the international standards most relevant to our business.

We continuously strive to generate value for our stakeholders through transparent and timely dialogue based on trust, in which we demonstrate that we are a benchmark for good governance and leadership.

TERPEL'S CORPORATE GOVERNANCE STRUCTURE

Our corporate governance structure is illustrated below and puts in evidence the highest standards for corporate governance.



GENERAL SHAREHOLDERS' ASSEMBLY

The General Shareholders' Assembly is our highest governance body and its regular meeting is during the first quarter of each year. This year, the Assembly was, for the second year in a row, 100% virtual. The technology allowed participants to express opinions and all vote simultaneously, while keeping complete records and guaranteeing the transparency of decisions.

Participation at the meeting was 77.3% of the outstanding shares.

BOARD OF DIRECTORS

According to the organization's bylaws, for the Assembly to delegate authority, its functions include the election of the highest administrative body, which is the Board of Directors. Our current Board of Directors was elected for the 2019-2022 period. It is made up of seven regular members and seven alternates, none of whom is an executive of the organization. In accordance with the legal requirements for issuers of securities, 25% are independent (two members). The Chairman of the Board of Directors is elected by a favorable vote from all members and exercises the functions and powers attributed by law, the bylaws, the regulations, and the Code of Good Corporate Governance.

Members are elected for a three-year period using the electoral quotient system. The current average tenure of members of the Board of Directors is ten years.

Regular members

1. Lorenzo Gazmuri Schleyer
Shareholder-appointed

2. Jorge Andueza Fouque
Shareholder-appointed

3. Arturo Natho Gamboa
Shareholder-appointed – (President)

4. Leonardo Ljubetic Garib-
Shareholder-appointed

5. Jorge Alberto Bunster Betteley
Shareholder-appointed

6. Jose Oscar Jaramillo Botero
Independent

7. Bernardo Dyner Rezonow
Independent

Alternate members

1. Juan Diuana Yunis
Shareholder-appointed

2. Alejandro Palma Rioseco
Shareholder-appointed

3. Jorge Andres Garcés Jordán
Shareholder-appointed

4. Rodolfo Castillo García
Shareholder-appointed

5. Eduardo Navarro Beltrán
Shareholder-appointed

6. Gabriel Jaramillo
Independent

7. Tulio Rabinovich Manevich
Independent

SEVEN (7) OF THE NON-EXECUTIVE BOARD MEMBERS HAVE EXPERIENCE IN RISK MANAGEMENT AND EIGHT (8) HAVE EXPERIENCE IN THE SECTOR.

The members of the Board of Directors meet monthly, and during 2021, the percentage attendance for all members at the meetings was 100%. The board also pursued efficiency for its meetings by using a virtual platform to fulfill its corporate obligations, giving priority to legal compliance as well as the health of shareholders and employees.

Board Evaluation

The company evaluates the Board of Directors using a self-assessment tool that measures knowledge, skills, and experience, and identifies opportunities for improving the Board's work. The company conducts this evaluation at the end of each term, at a minimum.

There is currently no explicit evaluation of the Boards' supervision of the organization's ESG impacts, but this will be done starting in 2022.

COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors has two (2) formal committees, the Compensation and Benefits Committee (made up of two board members and three members of senior management), and the Audit Committee (made up of the independent members of the Board). Both committees were rigorous in performing their functions and presenting their reports and recommendations to the Board of Directors.

SUPPORT COMMITTEES

Sustainability Committee: This committee is made up of the company president and the vice presidents of Corporate and Legal Affairs, Human Resources and Administration, Operations, Corporate Finances, Sales, and Convenience Services and Marketing, the Director of Corporate Affairs, the Director of the Terpel Foundation, and the Head of Corporate Responsibility. It is the highest governance body overseeing sustainability, discussing and approving all related matters at the organization, including the definition and updating of materiality. The sustainability committee meets regularly, three or four times a year, to review progress, challenges, and the next steps for the most relevant issues associated with the organization's sustainability model and specific initiatives.

- The president of Terpel leads the committee, delegating the functions of planning, management, and communication of the organization's sustainability issues to the Vice President of Corporate and Legal Affairs and the Corporate Affairs Department. That department reports the organization's performance in the area of sustainability to the sustainability committee. Minutes of this committee's meetings are sent to the Board of Directors to keep the Board continually updated on the matters discussed.

Communications Committee: The President of Terpel leads this committee with the participation of one member of the Board of Directors and the Vice Presidents of Corporate and Legal Affairs, Convenience Services and Marketing, and Sales. It is the highest level decision-making body for defining, evaluating, and monitoring the company's communications strategy.

Compliance and Ethics Committee: The Vice President of Human Resources and Administration, the Vice President of Corporate and Legal Affairs, and the Audit Department comprise this committee. It was created to monitor compliance with policies and tools, in order to prevent inappropriate conduct that runs counter to ethics, human rights, or transparency

CONFLICTS OF INTEREST

Terpel has a variety of mechanisms for detecting conflicts of interest. Members of the Board of Directors must file a declaration of compliance at the beginning of each term, disclosing any economic, personal, or professional relationships, or relationships of any other nature, that could cause a possible conflict of interest, in order to manage them.

Each year our employees at all levels fill out a conflict of interest form to indicate any relationships that are economic, personal, professional, or of any other type that could lead to a conflict of interest. The compliance committee evaluates the information and reports it to the employee's direct supervisor, who will then manage conflicts in accordance with the committee's

instructions. Our suppliers and customers also fill out a declaration included in the information update forms to disclose any situations they believe could affect their contractual relationship with the company.

81.3% OF OUR TEAM MEMBERS IN COLOMBIA (1,217) FILLED OUT THE CONFLICT OF INTEREST FORM IN 2021, INFORMING THE COMPANY OF RELATIONSHIPS THAT COULD LEAD TO A CONFLICT OF INTEREST.



SENIOR MANAGEMENT

Our Executive Committee is made up of a group of top-level executives who are committed to pursuing and meeting the company's objectives and obligations:

Name	Position
Oscar Bravo Restrepo	President
José Carlos Barreto Barrios	Vice President of Operations
Daniel Perea Villa	Vice President of Corporate and Legal Affairs
Alonso Botero Pardo	Vice President of Corporate Finance
Johand Patiño Vega	Vice President of Sales
María Mercedes Carrasquilla Barrera	Vice President of Human Resources and Administration
Liliana Tovar Silva	Vice President of Aviation and Marine Fuels
Nelson Yobani Pabón Caviativa	Vice President of Technology and Digital Transformation
Tony Quintero	Vice President of Marketing
Alejandra Londoño Carulla	Vice President of Convenience Services
Rodrigo Marcelo Ferreira Oyaneder	Vice President of Lubricants

Structure effective as of December 31, 2021

LISTING ON THE COLOMBIAN SECURITIES EXCHANGE (BVC)

Since 2014, Terpel has been traded on the Colombian Stock Exchange (BVC), which has led to further formalization of our corporate governance. For the seventh consecutive year, we obtained the IR seal for Investor Relations from the Colombian Stock Exchange in recognition of our adoption of best practices in information disclosure and investor relations, based on providing sufficient and timely information using appropriate communication channels.

INITIATIVES BACKING OUR GOOD GOVERNANCE

We participate on the Board of Directors and are active members of the Colombian Institute of Corporate Governance - ICGC, which promotes the development and adoption of best corporate governance practices in Colombia. We filled out and submitted the "Country Code Survey" Corporate Best Practices Report, which is available for consultation on our website.

DURING 2021, WE MERGED THE MARKETING AND CONVENIENCE SERVICES DEPARTMENTS TO FORM THE DEPARTMENT OF MARKETING AND CONVENIENCE SERVICES TO LEVERAGE OUR SERVICE STRATEGY.

GOOD CORPORATE GOVERNANCE CODE

Our Code of Good Corporate Governance contains principles for governing the company, and describes application of and compliance with the code, and how it effects the way we do business. It establishes respect and guarantees for shareholders' rights. We are clearly committed to developing and improving the organization's good corporate governance practices and strengthening the transparency of our work and administration.

During 2021, we established a centralized approach from Colombia for our affiliates in Peru, Ecuador, the Dominican Republic, and Panama for high-impact processes such as the prevention of asset laundering and the fight against corruption.

ARENAS FOR COMMUNICATION AND PARTICIPATION

Each year, we fill out and submit the "Country Code Survey" Corporate Best Practices Report, which is available for consultation at the end of this report.

Terpel is traded on the Colombian Securities Exchange (BVC), and in 2021, for the seventh consecutive year, the Exchange awarded us the IR (Investor Relations) Recognition. This award highlights our performance in terms of timeliness, balance, and transparency in the publication of information for the market.

REGULATORY COMPLIANCE

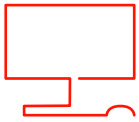
We received no significant fines or penalties during 2021 for any failure to comply with laws and regulations, or related to product labeling or marketing communications. We did, however, face fines of consequence in environmental matters, which are reported in the corresponding section of the report.

TO PRESENT MATTERS RELATED TO CORPORATE GOVERNANCE IN GREATER DETAIL, WE HAVE INCLUDED AN INTEGRATED REPORT ON LEGAL AND FINANCIAL ASPECTS IN THE LAST CHAPTER OF THIS REPORT. ITS INCLUSION IS CLEAR DEMONSTRATION OF THE IMPORTANCE THIS ORGANIZATION ATTACHES TO MAINTAINING HIGH STANDARDS OF GOVERNANCE.

ETHICS AND TRANSPARENCY

Terpel's Code of Conduct serves as a guideline for the behavior expected from the entire team. It covers aspects such as corruption and bribery, discrimination, the confidentiality of information, conflicts of interest, antitrust or anticompetitive practices, money laundering, insider trading or dealing, the environment, health and safety, and the reporting of irregularities.

The Code steers behavior toward efficient and effective performance of job functions with a customer service attitude and with honesty. Conduct must comply with the law and express tolerance, respect, and decency. There must be no discrimination of any type, but rather a pursuit of harmony with individuals, with stakeholders, and with our surroundings.



The Code of Conduct can be consulted using the following link:

<https://www.terpel.com/Global/co-p-04-codigo-de-conducta-v-09-vf.pdf>

The Code of Conduct applies to 100% of our workers in the different countries where we operate. During the year 2021, all new hires to the Terpel team in Colombia (137 people) signed written consent to the code. We also trained 1,314 people as part of our re-induction process, increasing the coverage of this training by 3.7%.

REPORTING CHANNELS

Terpel has a variety of reporting channels for attending to all queries and concerns.



Free hotline: 01-800-752-2222



E-mail: reporteconfidencial.terpel@resguarda.com



The confidential reporting line: <https://www.terpel.com/en/reportes-confidenciales/>



Confidential reporting line: The confidential reporting line is a mechanism for ensuring that our commitment to business ethics and good practices of corporate governance is reflected in our corporate culture. It is an oversight tool for reporting conduct that is not allowed at Terpel and that does not reflect our values. Terpel's Internal Audit area manages this hotline, and all reports by employees, suppliers, customers, and third parties of any situation out of line with the Code of Conduct are maintained completely anonymous and confidential.

Any of these channels can be used to anonymously and confidentially report incidents and situations we want to prevent, including discriminatory conduct, harassment, improper use or safekeeping of assets, violation of intellectual property rights, infraction of free competition laws, improper handling of information, incorrect use of money, unreported conflicts of interest, or any conduct that puts environmental protection at risk.

DURING 2021 WE RECEIVED A TOTAL OF FIVE REPORTS²⁷ OF FRAUD, ALL CONNECTED WITH THE ETHICS CODE, OF WHICH FOUR WERE INVESTIGATED AND ONE WAS DEEMED UNFOUNDED. THE INVESTIGATIONS RESULTED IN ONE DISMISSAL. THERE WERE NO REPORTS OR CONFIRMED INCIDENTS OF CORRUPTION.

*Cases of fraud that have to do with acts of corruption, in accordance with the definitions in the GRI standards.

ANTICORRUPTION

Our anticorruption and bribery policy is available to the public. It provides guidelines for political contributions, the orientation of social investments, and the prevention of bribery of all types. It also explicitly states that this company makes no contributions to campaigns, candidates, or political movements.

Our Manual for the Prevention of MLFT Crimes (Money Laundering and Financing of Terrorism) and our Business Ethics and Anti-corruption Program establish Terpel's general guidelines for the system to manage the risk of money laundering and financing of terrorism.

All these aspects are covered by the different documents published on Terpel's web page at: <https://www.terpel.com/Global/Accionistas/Gobierno-corporativo/manual-anticorrupcion-terpel.pdf>



100%

of our Board members are informed about and have received training in anticorruption policies and procedures.



100%

of our employees received information on our policies and procedures for fighting corruption during 2021



27. De las cuales 3 fueron en Colombia, 1 en Panamá y 1 en Perú



Employees²⁸ Informed

Employees informed about our anticorruption policies and procedures	1,496 (100%)
Business associates informed about our anticorruption policies and procedures	247
Partners informed about our anticorruption policies and procedures.	100%



Employees trained

Employees who have received training in ethics and/or anticorruption.	926/1,497²⁹ (62%)
The president received anticorruption training	1/1 (100%)
Vice presidents who received anticorruption training	10/10 (100%)
Managers who received anticorruption training	15/28 (54%)
Directors who received anticorruption training	53/80 (66%)
Heads / Executives who received anticorruption training	182/276 (66%)
Analysts / Supervisors who received anticorruption training	175/362 (48%)
Technicians / Assistants who received anticorruption training	151/299 (51%)
Operations personnel who received anticorruption training	339/441 (77%)

RISK MANAGEMENT:

Progress made in risk management

Managing risk is imperative for running an excellent operation. We have therefore established a risk management model based on different international standards such as COSO ERM, ISO 31000, and the Three Lines of Defense model, which describe the guidelines, parameters, roles, and responsibilities

of a risk structure. So, based on these standards, we have established the policies and procedures for our model for risk identification, analysis, evaluation, response, and monitoring. It outlines risk management guidelines, roles, and responsibilities

for the entire organization. In 2021 we created the Risk Office, under the Audit Department, to strengthen the identification of present and future risks in all business lines and in the company as a whole.

28. Direct employees Organización Terpel. Does not include Terpel Energía, Masser, or exports.

29. Includes the outgoing VP of Marketing.

We conducted our first strategic risk exercise in 2021, to identify, analyze, prioritize and manage, in a coordinated manner, those risks and opportunities that could have an impact on achieving our strategic objectives. The exercise had three stages: identification of risks, evaluation, and definition of action plans or response measures.

As part of the exercise, we identified key risks to sustainability such as reputational harm, environmental damage, sociopolitical risks, climate change, and changes in market trends. We defined impact and likelihood criteria for analyzing and evaluating the risks. The criteria covered aspects such as economic impact, and impact on people, operations, the environment, reputation, and legal compliance.

The Board of Directors also approved the risk appetite, which is an indication of the company's level of tolerance for certain risks. For Organización Terpel, high risks, therefore, are those that, upon analysis and evaluation, surpass the limits for the established risk appetite.

Lastly, the risk analysis also established priority risks and strategies for prevention, response, and recovery in the case risks should materialize. In addition to these prevention and response strategies, we have a corporate insurance program that covers the company and third parties for any impacts caused.

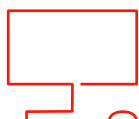
In 2021, we also identified a total of 34 fraud and compliance risks in the 31 sub processes evaluated. Of the 20 compliance risks evaluated, we found four with a critical level of residual risk, and of the 14 fraud risks evaluated we found another four with a critical value for residual risk.

Strategic Risk Management strengthens our processes, activities and decisions, while allowing us to be prepared to capitalize on opportunities and face the uncertainties the future may hold.

HUMAN RIGHTS

Terpel's human rights policy establishes guidelines for respecting and promoting human rights in all our undertakings, and encourages action in favor of the enjoyment of human rights inside the company. It applies to all operations and all stakeholders. This policy is a public commitment to respect human rights, as described in our Human Rights Policy, available on our webpage.

TERPEL IS CURRENTLY WORKING TO IDENTIFY HUMAN RIGHTS RISKS IN THE SUPPLY CHAIN. THIS WILL GIVE US MORE ACCURATE, OBJECTIVE, AND UPDATED INFORMATION SO WE CAN EFFICIENTLY MANAGE OUR SUPPLY CHAIN.



<https://www.terpel.com/Global/Sostenibilidad/CO.P.11-Politica-de-derechos-humanos.pdf>

Terpel shares its human rights policy as part of the corporate induction for all new employees and with all stakeholders involved in the operation. We adhere to and make clear commitments to abide by the international standards and principles that govern respect and promotion of human rights.

The following are our action lines for managing and meeting our human rights commitments:

- Labor practices
- Supplier relations
- Community relations
- The environment and society

INFORMATION SECURITY AND CYBER SECURITY

Information security and data protection are aspects of great importance to us. We have defined a governance structure that guarantees compliance with our cyber security strategy. Terpel's Chief Information Officer (CIO)³⁰ and Chief Information Security Officer (CISO) enforce compliance with data protection measures, in line with NIST and ISO 27001 information security standards. In 2021, Terpel audited its IT infrastructure and information security management systems using outside auditors.

The Corporate Cyber Security Committee implements and monitors the Information Security Policy and, based on indicators, makes any necessary adjustments to the strategic plans.

We implement the Data Protection Policy using a variety of mechanisms, and inform our customers regarding the protection of their data and their privacy. We organize training, publish documents on the webpage, and establish channels for individual data subjects to exercise their rights.

We have a privacy committee and privacy officers. We also closely monitor the rules related to the rights of data subjects, which we communicate in a timely manner. In the authorization process, we clearly and expressly notify the data subject in advance of the authorization being granted and their rights as the data subject.

We received 554 petitions during 2021 in exercise of data subject rights, including requests for updates, erasure, rectification, and/or provision of information.

During 2021, we received no claims related to privacy violations or data leaks, nor were we fined or penalized for data leaks or data loss.

In terms of claims by regulatory authorities, the Superintendent of Industry and Commerce currently has two investigations open in connection with Terpel; to date no penalties have been imposed.

30. Currently managed jointly by the Vice President of Marketing, the Legal Affairs Manager, and the Technology Manager

INCIDENT RESPONSE

Terpel's Disaster Recovery Plan is a plan for reestablishing IT services as soon as possible and providing continuity to the business operation in the case of a data loss event.

We developed an automation and intelligence model that uses disruptive technology to address new cyber threats, resulting in going from evaluating 45 events daily to evaluating 6,000 events daily, on average, without human intervention. During the year 2021, we detected 284,769 cybersecurity threats that were classified as events in which no risk materialized and that did not constitute any financial impact for the organization. We identified 3,519³¹ critical and high level vulnerabilities. To mitigate the financial risk of cyber threats, we have an insurance policy with coverage of five million dollars.

TRAINING

Information security is everyone's responsibility. In the year 2021, we strengthened the process to raise awareness across the company about the importance of doing business under the highest standards for information security. Under the hashtag **#ProtectingInformationProtectsEveryone**, we organized an "Information Month" to reinforce knowledge and tools that can help better manage data protection. We organized activities such as webinars and encouraged participation in the "Information Security and Cyber Security" course on our Clase T - Ubits training platform.

1,373 PEOPLE COMPLETED THE COURSE ON THE RIGHTS OF DATA SUBJECTS IN 2021, EQUIVALENT TO 92% OF OUR TARGET FOR THE YEAR.

31. Vulnerabilidades que han sido contralada bajo el modelo de gestión de vulnerabilidades



We develop efficient, safe, and innovative products and services that improve our customers' processes, facilitate their businesses, and promote cleaner operations. Technology and digital transformation are differentiating factors that allow us to operate more efficiently, reliably, and in a timely manner, in accordance with the needs of our customers and changes in our context.

We incorporate circular economy principles to offer products and services that increase consumer well-being and satisfaction, while reducing impacts on the environment.

Terpel is undergoing a digital transformation

Digital transformation at Terpel consists of incorporating and appropriating the right technologies to further the achievement of the company's strategic objectives and to gain a deeper knowledge of our internal and external consumers.

Our digital transformation model leverages disruptive technologies, allowing us to evolve the physical and digital experience of customers and affiliates by promoting changes in everything from thinking style to the experiences we generate with our products and services.

We implement our model with two basic focuses: generation of value for our internal areas, and generation of value for customers and affiliates at points of sale.



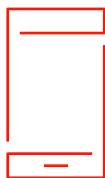
DIGITAL TRANSFORMATION TARGETING VALUE GENERATION

For points of sale

We strengthened the digital transformation model for our service station network by implementing strategic projects such as:

Digital Points of Sale (POS): This project connected 100% of the network's service stations, providing a single platform for all the business activities of each one.

Digital channel for affiliates
(aliadosterpel.com)



1,588
Active service stations (97%)

8,314
Transactions using
the platform

\$ 220,702
million pesos invoiced

New payment means

25
Service stations with
QR Code payments

42
Service stations configured
for Gopass³²

7,334
Terpel Gopass users

1,200
million pesos invoiced

16,500
transactions

For our internal areas

- New information platform
- Creation of the **Master Data Office** to centralize and standardize information, and to safeguard its quality
- **Analytics – Data lake:** storage, processing, visualization, and data analytics models
- **A1CLIC:** the app version of our technological services portal provides a platform for managing all of the organization's internal requirements, and permits following-up on requests in real-time.
- **AsistenTe:** A single app for all our automated processes

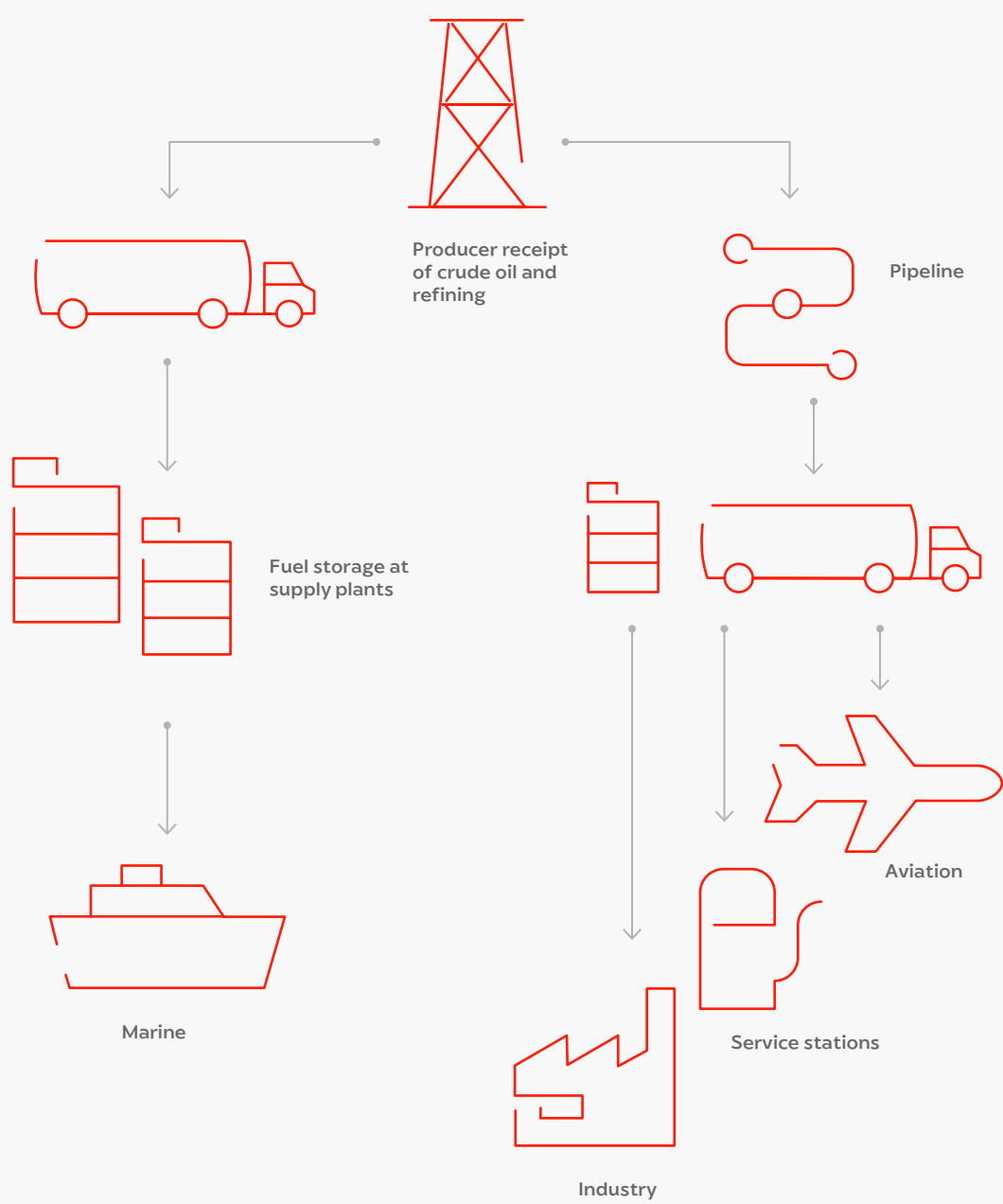
- Disaster recovery plan for information security and development of a model to address new cyber threats

Knowing that digital appropriation implies a change in paradigm and a total reinvention of business processes to make the most of these technologies, we have worked in coordination with the company's different areas to raise awareness and manage change to promote the use and appropriation of the new dynamics brought by our digital transformation. We also implemented new ways of working, and intensified the adoption of mechanisms that expedite work.

WE INVESTED MORE THAN 39 BILLION PESOS DURING 2021 IN DIGITAL TRANSFORMATION, 202% MORE THAN LAST YEAR.

32. GoPass is a vehicle-associated solution that enhances the value proposition.

Our supply chain - Fuels

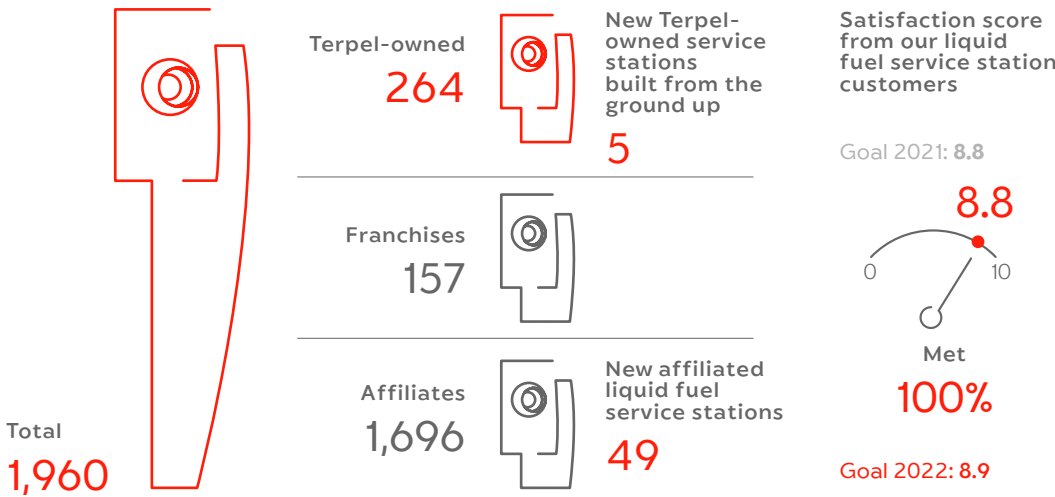


SERVICE STATIONS

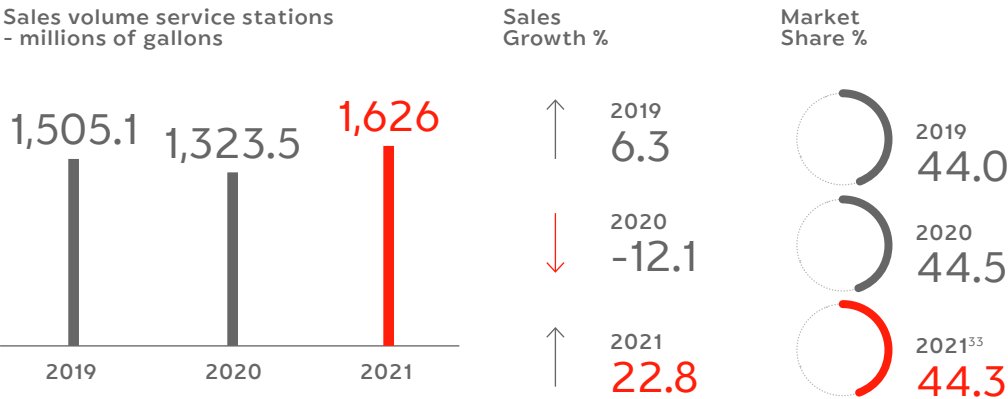
Our service stations deliver memorable experiences to our customers. We're the network with the most extensive coverage in the country, and we offer exclusive pump islands for motorcycles.

Our model includes both Terpel-owned and affiliated service stations. Terpel-owned service stations are operated directly or through franchise contracts, and our affiliated stations are operated by business owners with whom we share our values and our way of doing things, leading to the continuous growth of our service network.

Liquid fuel service stations



Liquid Fuel (LF)



33. Although our share of the overall market went down two points, our market share for Diesel grew 0.3% and for Extra grew 0.6% over 2020.

Initiatives in 2021

- We have remodeled a total of 448 service station restrooms, 14 of them in 2021, offering our customers safe and clean bathroom facilities.
- The total number of service stations with the new corporate image reached 1,869, implementing 110 of them during 2021. As a result of the change in look, we achieved a 13% increase in sales, an audit score of 4.5 out of 5, and 102% compliance with our rebranding goal.
- We now have 81 pump islands exclusively for motorcycles (eight implemented in 2021).
- We launched our first differentiated fuel. We pioneered the development of the first super premium gasoline (GT Extra 98) and now offer it in the Colombian market.



- We invited more than 700 affiliates to participate in the presidential tour through all our regional offices.
- We attained the historic figure of 321 contract renewals.
- We had historic market and Organización Terpel sales volumes in the month of December.
- We organized a promotional activity at the end of the year. Its goal was to reward our customers and learn about their habits so we can gauge conversion funnel efficiency for each one. We managed to reach more than 250,000 customers and 1,500 service stations, delivering more than 590 prizes in 130 cities. We also logged 1.8 million in invoices and 14 million gallons sold.
- We achieved a historic number of Terpel Club redemptions in the months of September and October. The number of miles redeemed was greater than the number of miles accumulated.
- We connected 18 service stations to the network through franchise changes, achieving the highest figure for the last five years.

TERPEL BUSINESS OWNER NETWORK

Terpel's business owner network reinforces communication and integration for our business owners (affiliates and franchise owners). It establishes arenas for engagement and training that generate value for them and help us work together as a single network

377 BUSINESS OWNERS BELONG TO THE NETWORK

The crisis produced by the pandemic led us in 2021 to look for different ways to stay in touch with our network, such as workshops, online courses, and meetings with national leaders

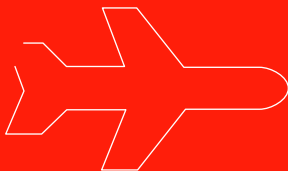
AVIATION FUELS

We're the partner on the ground of those who fly high. We supply fuel to aircraft in the passenger and cargo transportation segments, general aviation, and official institutions through our operations in 21 airports in Colombia. Our value proposition goes above and beyond fuel supply; we

offer additional services with quality and excellence and a smart network. This network allows us to connect Latin America and the Caribbean region with the world through a network of 32 airports in the region (21 in Colombia, 5 in the Dominican Republic, 1 in Peru, and 5 in Panama).

Airports served in Colombia

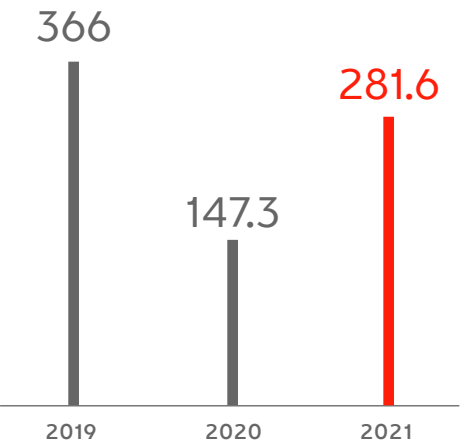
21



Aviation customer satisfaction index



Sales Volume - Millions of gallons



Sales Growth %



Market Share %



Initiatives in 2021

- We launched a regional model for the aviation business that projects business using global accounts based on competitive costs in all countries.
- We developed the Terpel Aviation Fuel School in an online format for the entire region, available to customers located everywhere. In Colombia, 85 people graduated.
- We achieved sales of close to 342 MM gallons in the region (versus 182.5 MM in 2020) representing growth of 88% and a recovery of 78% over the year 2019.
- We recovered 100% of our business activity by streamlining expenses and maintaining operating standards even in the face of new demands.
- We implemented the Service Hub, a single contact point for serving customers at a regional level.

OUR 79% MARKET SHARE MAKES US THE AVIATION FUEL INDUSTRY LEADER IN COLOMBIA.

The excellence of our operation is backed by Terpel's ongoing digital transformation. Technological solutions and automation included the implementation of the Volarte tool (automated operations) in the 21 airports in Colombia. In addition, 10 of our airports in Colombia use an ELA Bot and XML (IATA aviation invoice standard) for invoicing.

The ISO 9001, ISO 45001, ISO 14001, and NORSOK S-006 international standards certify the quality and excellence of our operations. We also received the Biosafe Operation certificate granted by ICONTEC in 2020.

OUR COMMITMENT TO HEALTH AND SAFETY IS SEEN IN ALL OUR OPERATIONS. FOR THAT REASON, 20 OUT OF 21 OF OUR AIRPORTS IN COLOMBIA RECEIVED THE BIOSAFE CERTIFICATE FROM ICONTEC.



MARINE FUEL

Terpel serves the marine fuel market by supplying fuel to cargo ships, dredges, tugboats, offshore equipment, and barges at Colombian ports.

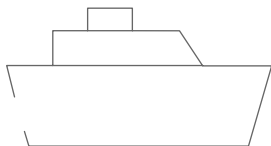
We provide our services to port authorities in Colombia and are members of the IBIA, the International Bunker Industry Association.

Ports where we operate in Colombia

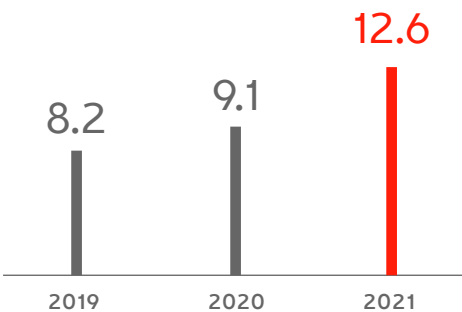
15

Marine Terminals served in Colombia

23



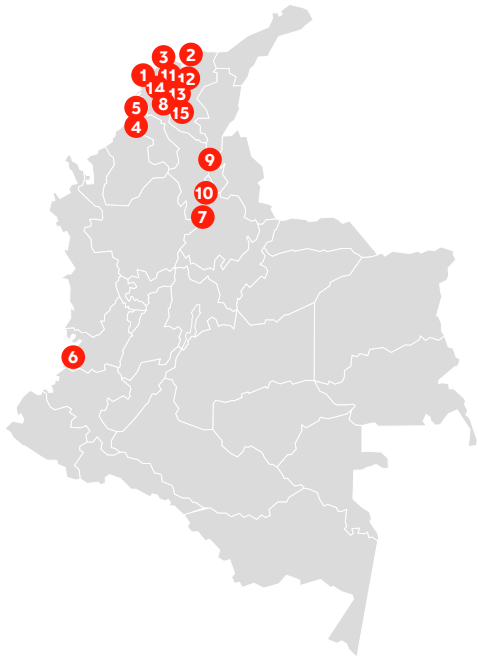
Sales Volume - Marine Diesel millions of gallons



OUR SALES GREW 39.3% IN 2021 AND WE ATTAINED A MARKET SHARE OF 17.7%, MEETING AND SURPASSING OUR BUDGET BY 147%.

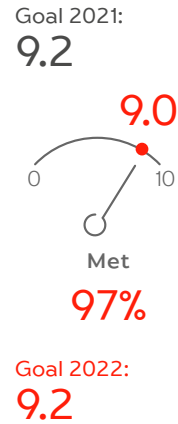


Our marine fuel operation serves 15 ports - both ocean and river - and 23 marine terminals.



- 1. Cartagena
- 2. Santa Marta
- 3. Barranquilla
- 4. Coveñas
- 5. Tolú
- 6. Buenaventura
- 7. Barrancabermeja
- 8. Calamar
- 9. La Gloria
- 10. Puerto Wilches
- 11. Sabanagrande
- 12. Salamina
- 13. Santa Lucía
- 14. Sitionuevo
- 15. Suan

Marine fuel customer satisfaction index



Ecopetrol sells the marine diesel or marine gas oil we distribute from its refinery in Cartagena, dispatching it from the Mamonal plant or directly from the refinery. Our fuel delivery operation takes place using extremely safe supply vehicles or barges. Terpel has the largest storage capacity for marine diesel in Colombia.

We share a plant in Cartagena with Primax that has a 27,000-barrel storage capacity in the form of two 13,500-barrel capacity tanks.

Seven certificates back the excellence of our operation, all of them obtained with high scores: Mar&Ter (90%), Serviport (75/80), Augustea (85%), lintertug (4.18/5), Dragados Hidráulicos (86%), Astivik (100%) and OTM (100%).

Initiatives in 2021

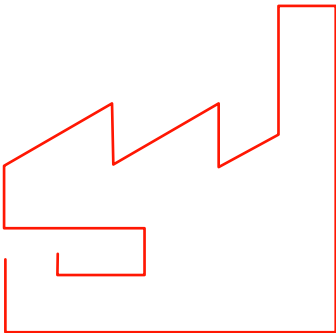
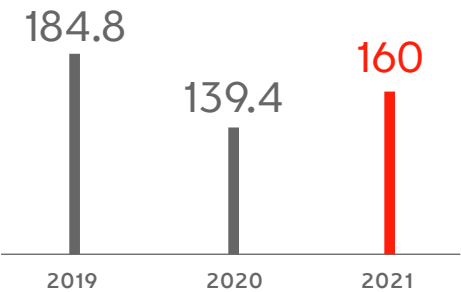
- We obtained commercial operating licenses for the ports of Cartagena, Santa Marta, Barranquilla, Coveñas, and Buenaventura.
- We made digital adjustments to the BDT (Bunker Delivery Ticket) used.
- We enrolled 100% of our customers in the corporate partner program.
- We reviewed and updated all the marine fuel business procedures in ARIS.
- We created the "Navigating with Fuels" course.
- We continued to participate as panelists in a variety of international and regional sector events.

FUELS FOR INDUSTRY

We are energy that keeps industry on the move. We supply fuel and energy to sectors such as oil, energy, construction, mining, agribusiness, transportation, industrial distributors and industry in general. Our portfolio of products and services includes continuous supply and impeccable logistics

for liquids, gases, and lubricants through an extensive supply network, technical, environmental, and regulatory consulting, and knowledge transfer through training programs for our customers in the Clean Industry program.

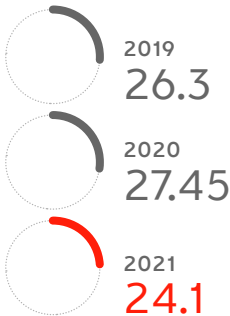
Sales Volume
- millions of gallons³⁴



Sales]
Growth %



Market
Share %



Industry customer satisfaction index



Industry initiatives

- We closed deals to provide more than 3 GW of energy per month to four bus yards in Bogotá's mass transportation system.
- We managed the nomination of 196,996 tons of CO2 through carbon credits, equivalent to 19,557,114 gallons of Bioacem and gasoline, to mitigate our footprint on the environment.
- We organized seven webinars with five sessions each on the new technical regulations (40198) with specific content for major consumers, private automotive service stations, and final consumers.

34. Includes industry CNG sales.

RUMBO TERPEL

Rumbo is our program for liquid fuel and CNG supply management for transportation fleets. With 145,000 vehicles enrolled, it operates in the country's largest network of interconnected service stations, including 781 liquid fuel stations, another 530 affiliated liquid fuel stations, and 232 CNG stations.

1,134 STUDENTS FROM DIFFERENT COMPANIES GRADUATED FROM AN ONLINE COURSE ON TOOLS AND BEST PRACTICES FOR GROUND TRANSPORTATION.

- We strengthened green corridors to meet the demand of tractor-trailers in the service station network, supplying more than 350,000 m³ of CNG per month by year-end.
- We launched the "Road Heroes" campaign targeting our brand recommenders, the drivers, who have made 116 redemptions.

- We set up a new channel for communication using the Rumbo homepage (Chatbot), to provide a new point of contact. It's a way we can offer more timely service to customers and it resulted in 650 interactions during 2021.

Caravana Rumbo- Pits: We created this caravan to raise the awareness of our service providers at our points of sale about the importance of the "Control" attribute in our value proposition. In 2021 our Rumbo - Pits Caravan trained 1,548 people at 246 service stations.

Starting in September 2021, we migrated to the new Saturno technological platform (replacing Satelite), which is in its first phase of operation. With this migration, we can offer greater control, traceability, and certainty in the supply and analysis of fuel consumption. We also offer POS automation and authentication through an app with artificial intelligence, as a sole means of payment. Lastly, we are working on creating an interconnected network, new models for driver engagement and loyalty, and synergy with convenience services³⁵.



35. Servicios de conveniencia

MY BUSINESS

This program provides value-added services and benefits to SMEs that manage fleets, to help them monitor each vehicle's fuel. We have 781 service stations involved, and serve an active base of 1,915 customers. Using the PSE payment button, our customers have carried out more than 50 thousand transactions to add funds to fuel cards.

- During 2021, the program grew by 1,019 new customers.
- We met the goal of selling more than 1 million gallons per month, and sold over 11 million gallons during the year.
- Our customers have filled up at 680 of the service stations in the Rumbo program.

LARGE FLEETS

This program was created for companies with fleets that travel the country's main highways and need fuel administration and control for each trip segment. During 2021, we had 115,000 vehicles registered for liquid fuels, and 24,000 for CNG.

CLEAN INDUSTRY PROGRAM

This training program was designed for the teams who manage fuel inside the companies to whom we sell our products. The objective of the program is to promote safe and environmentally sustainable operations by transferring knowledge and sharing best practices for fuel handling, through these five modules:

- Industry school
- Occupational health and safety and the environment
- Technical visit
- Training camp
- Inventory administration and control

Green visits are included in the program: the modules are presented at the customer's facilities, and each one covers different environmental aspects of a fuel operation.



We made
45
green visits



We visited
35
customers



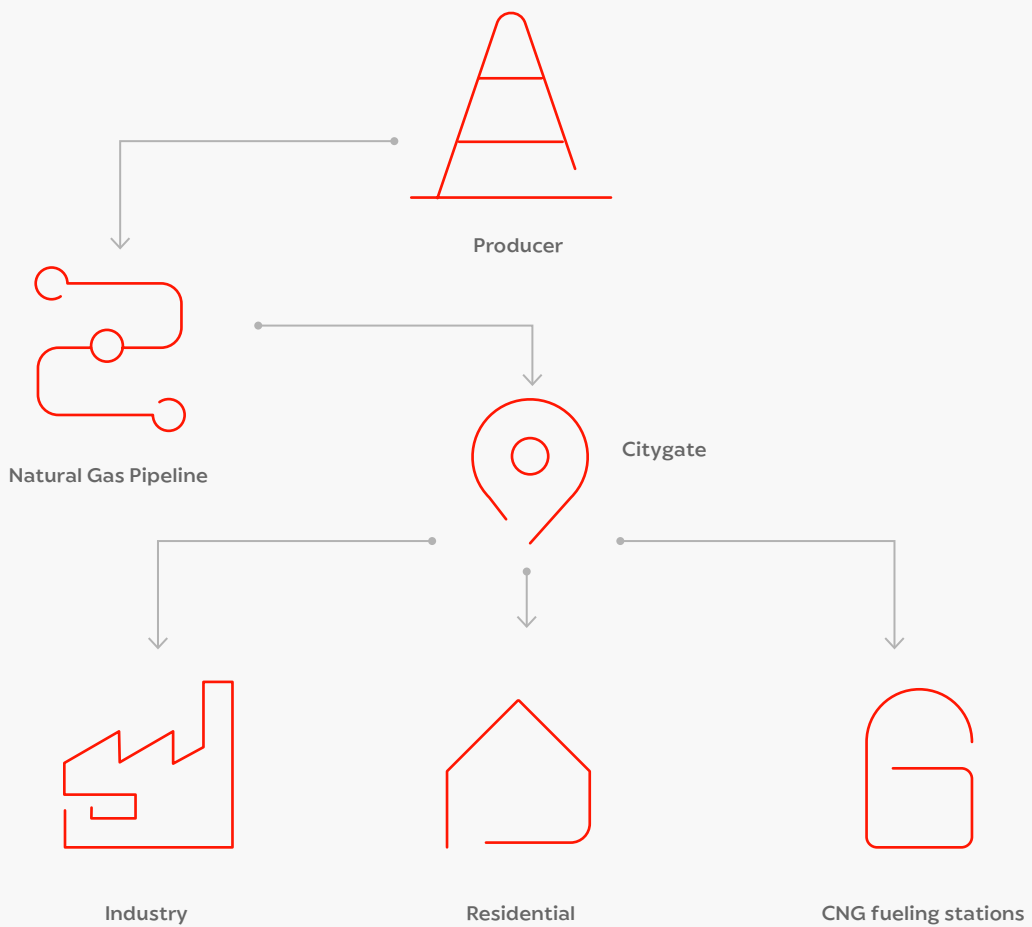
We issued
9
Clean Industry bulletins



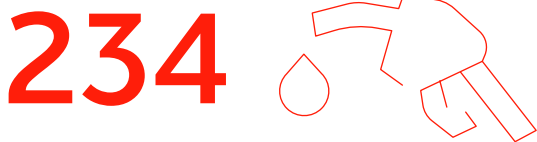
Each bulletin takes content related to regulatory changes, incident prevention, and measures to ensure the continuity of operations to 734 workers at 299 customers.

Starting in 1986, we have been introducing CNG on a wide scale to Colombia's small and large-scale transporters. Our extensive network of CNG fueling stations is the only one with national coverage. Meanwhile, we promote the conversion of vehicles to CNG, turning them into allies of environmentally-friendly fleets and transportation systems. Our Gazel brand has 234 CNG service stations, giving us a market share of 46.7%.

Our value chain - CNG



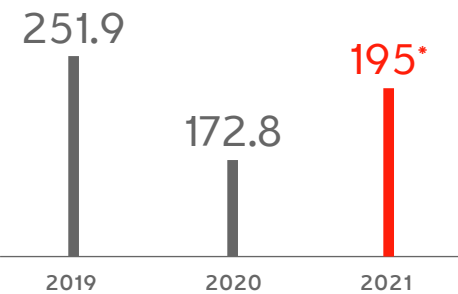
CNG fueling stations



CNG customer satisfaction score



Sales Volume CNG - millions of m³

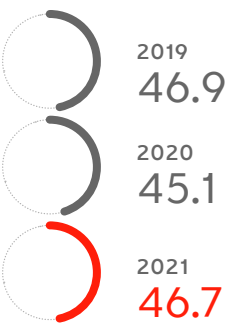


*Volume does not include corporate service stations.

Sales Growth %



Market Share %



"Gazel Territory" refers to Terpel's network of CNG conversion and maintenance shops operating across the country, where we launch special conversion events supported by financing.

As of 2021, around 653 CNG-powered heavy trucks are circulating on Colombian highways. The consumption of those vehicles in the market is approximately 11,955,000 m³ per year.

We also made progress building six service stations linked to the green corridors project, which focuses on opening points of sale on the main cargo corridors to offer quick and differentiated service to heavy vehicles, such as fast fill valves that reduce filling times. For example, our El Mulero station³⁵, which has fast fill valves for CNG for heavy vehicles, is now selling 270,000 m³ per month.

Lastly, to optimize attention to this type of vehicle, we upgraded 14 service stations by installing CNG type 2 fast fill valves. These points of sale are located at the exits of the country's main cities.

New LPG station

In the year 2021, we reached a new milestone in the country's fuel market by building and launching our first liquefied petroleum gas (LPG) fueling station. This is in the framework of our strategy to

create incentives for and expand the use of LPG due to its environmental and economic benefits. The Doña Manuela service station in Cartagena has attained monthly sales of more than 20,000 L. With

this newproduct, we now offer our consumers all the energy sources available to keep them on the move: liquid fuels, CNG, LPG, and electric power.

36. Located in the municipality of Bosconia.

CNG CAMPAIGN

In the last quarter of the year, we continued with our "Juntos Gasificamos el País" (Let's all go for CNG in Colombia) campaign, launched in 2020, with the goal of recovering volume lost during the pandemic. This initiative gives a financial reward to service stations that attain sales volumes higher than the projected volume. Each month, we gave bonuses to an average of 70 service stations, which received monthly bonuses of close to 100 million pesos.

CLUB GAZEL

One of the ways we offer our customers memorable experiences is through our Gazel Club loyalty program. By joining the club, each of our Gazel service stations accumulates cubic meters to later claim prizes in accordance with the amount consumed.

DURING 2021, MORE THAN 64 THOUSAND CUSTOMERS REDEEMED PRIZES THROUGH THE GAZEL CLUB, FOR A TOTAL OF 309 THOUSAND PRIZES REDEEMED THROUGH THE CLUB IN COLOMBIA.



Vehicles converted to CNG

16,519



New conversions creating loyalty through Terpel financing

2,701



Number of Gazel customers

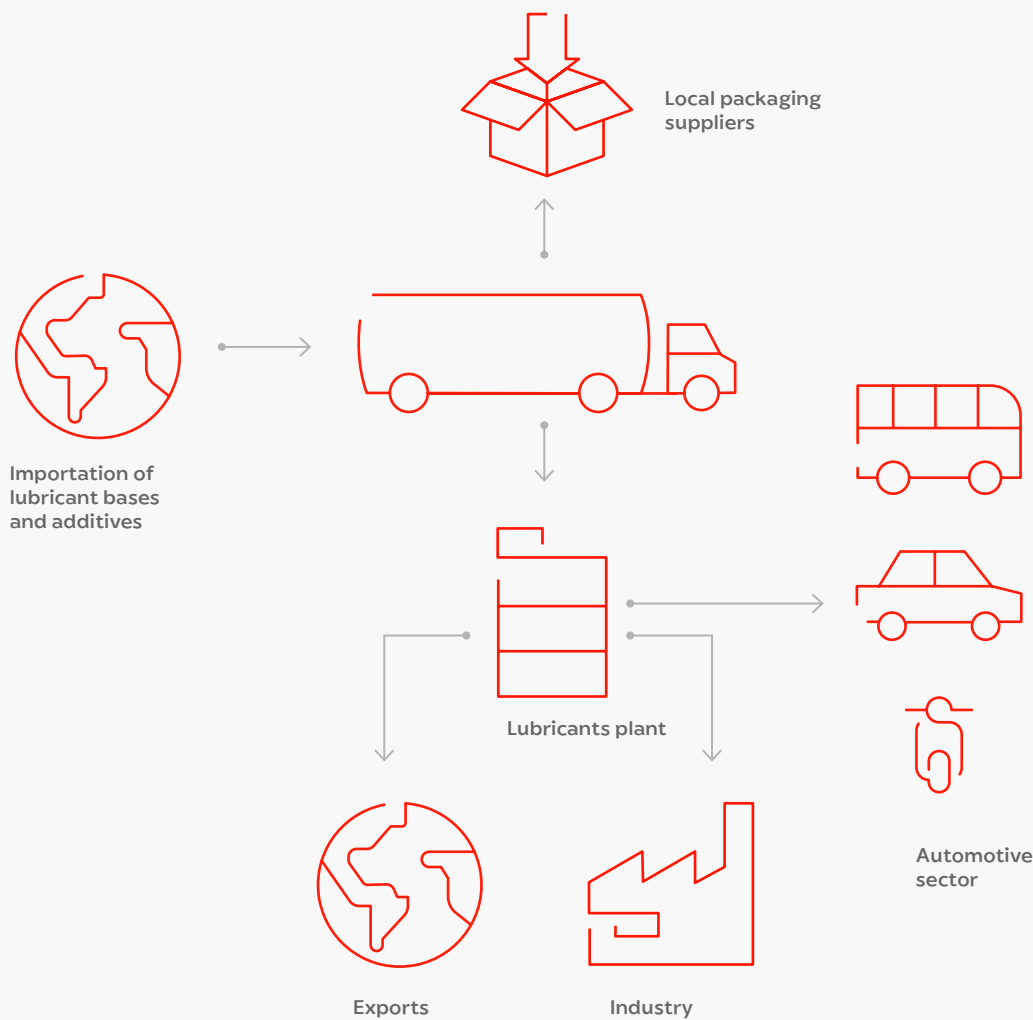
86,955



Active CNG vehicles using our brand

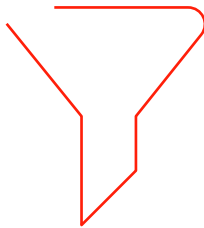
184,715

Our value chain - Lubricants



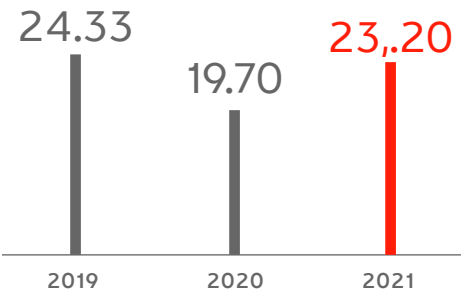
Points of sale for lubricants

27,871



Lubricants customer satisfaction index

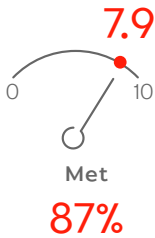
Sales Volume Lubricants - millions of gallons



Sales Growth %



Goal 2021: 9.0



Goal 2022: 8.8

OUR PRODUCTS

Our portfolio of Mobil and Terpel brands contains 13 products certified with the Icontec quality seal, all available for sale to the public.

IN 2021 WE EARNED ISO 17025 CERTIFICATION FOR OUR INNOVATION AND TECHNOLOGY CENTER LABORATORY.

PRODUCTS WITH ENVIRONMENTAL ADVANTAGES

Our portfolio includes nine (9) products from different lines that offer environmental advantages. They help gasoline engines save fuel thanks to their low viscosity, protecting the systems that scrub exhaust gases to avoid pollution. We also have products whose high-tech formula provides energy efficiency for earthmoving equipment.

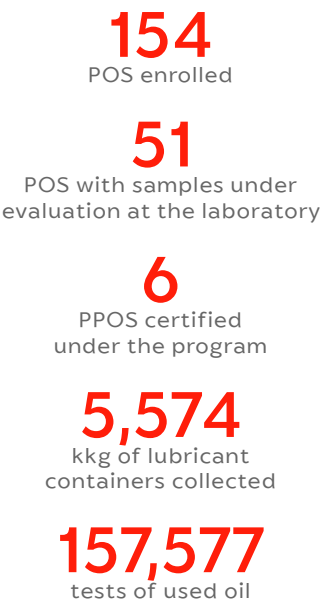
COMMERCIAL AGENTS

We successfully executed the Dual Brand commercial agent strategy to unify the distribution network for Mobil and Terpel brands in the B2C sector, growing 23% over the year 2019.

We sold our lubricants at 27,871 points of sale, including lubrication centers (3,120), stores (12,539), repair shops (6,331), dealerships (124), service stations, and wholesalers.

GREEN PASS PROGRAM

Green Pass is our lubricant container recycling program, an initiative for responsible waste management aligned with the Sustainable Development Goals and with a focus on environmental sustainability. Under the program, we promote the development of a culture of recycling at points of sale (POS) by collecting, transporting, and treating containers in compliance with the requirements of environmental authorities.



BULK PROGRAM

The bulk program consists of an innovative storage technique for bulk sales in the B2C channel. It maintains the quality and integrity of the product, thereby inspiring confidence in consumers, while helping reduce environmental impact by minimizing the use of plastic containers. The program offers a variety of benefits. It protects the brand, the integrity of the bulk product, and the quality and prestige of the Mobil™ brand product offered. This then builds a close relationship of trust with customers, and helps regulate bulk lubricant sales, leading to ongoing recognition of Mobil's quality.

Our goal for the year 2022 is to launch the bulk program in Bogotá and Medellín by installing 20 bulk tanks at POS that meet the requirements for program participation. This will lead to consuming 600 fewer quart containers - equivalent to 36 kg of plastic - each time a tank is refilled.

Implementation of the bulk program will increase the volume of lubricants sold at participating points of sale by 10%.

TERPEL TESOS PROGRAM

Terpel's lubricant loyalty program is designed for the lubrication technicians that recommend our lubricants. It provides financial compensation for their participation in the form of well-being and training benefits.

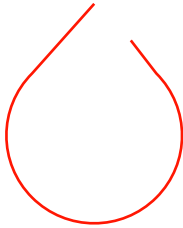
The program is active in 28 Departments and 220 cities.

Tesos active in the program	1,308
Points of sale where Tesos are located	999
Tesos recognized on special dates	1,290
% of sales under customer loyalty through Tesos	33%

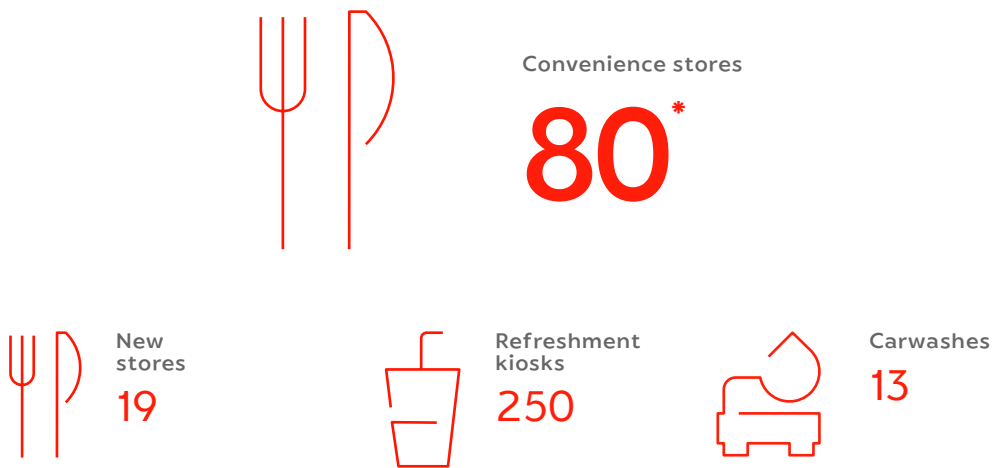
CLUB FOR LUBRICATION SPECIALISTS

This loyalty program is for lubrication technicians who recommend Mobil™ lubricants. Members have access to a catalog of prizes chosen based on their ability to improve the quality of life of club members and their families. Members also gain access to online training and exclusive events they can attend with their nuclear families. The program is available in 27 Departments and 264 cities.

IN 2021, WE RAN SIX MASTERLUB LUBRICATION CENTERS

	Club members active in the program	2,900
	Members and families participating in events <i>Family afternoons to take the magic of the movies to our specialists</i>	2,166
	% of customer loyalty sales through the Club	10%
	Points of sale where Club Lubrication Specialists are located	1,730
	Club members remembered on special dates	117





DURING 2021, WE IMPLEMENTED THE NEW VALUE PROPOSITION ACROSS THE ENTIRE NETWORK, AND OPENED A RECORD 19 STORES, MORE THAN 80% OF THEM IN THE NETWORK OF AFFILIATES. GROWTH IN THE CONVENIENCE BUSINESS WAS MORE THAN 40% COMPARED TO 2019.

ALTOQUE STORES – THE FRIENDLY STOP ON THE WAY FOR COLOMBIANS

We undertook a major transformation in the year 2021 of our service model at our Altoque convenience stores. We gave them a renovated, modern image that is more customer-friendly.

The new look seeks to highlight and communicate four attributes: friendly service, the freshness and quality of the products we offer, our modern and efficient services, and our connection with the local community.

*Includes mobile events store.

This connection with the community allows us to demonstrate the commitment of Terpel and Altoque to continue to be a Country Partner, and it is in that framework we implemented the following initiatives:

- **The stores supported local enterprise.** We invited rural farmers and local artisans to exhibit and sell their products at the Altoque stores. To do that, we set up "Sustainable Display Cases" with 100% local products. We now have nine local entrepreneurs selling their goods in highway stores, with more than \$26 MM in sales in 2021.
- **We also promote local art, giving life to our walls through the Mural Project,** turning us into a showcase for regional art. Fifteen regional artists and 6 illustrators have painted the walls of our flagship Altoque stores.

We also promoted initiatives to take care of the environment and implement a circular economy, convinced that steps such as these can help us have a positive impact:

- **We implemented refill cups.** This initiative encourages customers to remember to bring their cup with them instead of using disposable ones by giving them a discount on their purchase. Thanks to this initiative we used 62,672 fewer paper cups.
- **Through the safe store program,** we minimize food loss and raise awareness about its impact on the environment. To that end, we provided training on inventory management and set goals giving us a greater degree of control over food loss.
- **We want to ensure proper disposal of the recyclable waste generated at our stores.** In 2021, we brought the percentage of stores with a regular schedule for the disposal of recyclable waste up to 32%.

- **Packaging:** Starting in 2020, we coordinated our waste management plan with our basic sanitation plan for convenience stores, analyzing biodegradable materials as part of the implementation of the new value proposition for the Altoque stores. During 2021, we began offering new food products to our customers that prioritize the use of recyclable packaging that can then be recycled right at the stores.

WE LAUNCHED OUR OWN BRAND OF WATER, AGUA MADRE ALTOQUE, CHARACTERIZED BY ITS SOCIAL PURPOSE. WE DONATE 4% OF ALL SALES OF AGUA MADRE TO THE SOY OPORTUNIDAD FOUNDATION, DEDICATED TO PROVIDING OPPORTUNITIES TO VULNERABLE MOTHERS. IN 2021, WE SOLD MORE THAN 53 THOUSAND UNITS.

We generated value in our stores, refreshment kiosks, and carwashes when our customers were able to find everything they needed, even when they made their order from the comfort of home using our delivery channel. We provided services to cyclists with the new bike shops at Altoque stores, supporting new means of staying on the move. And we strengthened the concept of convenience through mini-markets, where customers can more quickly find a great variety of products and services closer to home, with an eye toward helping them meet daily needs.

IN 2021 WE IMPLEMENTED OUR E-COMMERCE PLATFORM, WHICH ALREADY HAS MORE THAN TWO THOUSAND ACTIVE CUSTOMERS.

ENVIRONMENTAL MANAGEMENT

The year 2021 was a key year for bolstering and consolidating our environmental management; we developed new initiatives and implemented strategic programs for the company.

WE ESTABLISHED OUR CORPORATE STANCE TO PROPERLY MANAGE AND MITIGATE OUR MAIN IMPACTS.

ENVIRONMENTAL TEAM

We formed a company-wide team to work on our corporate stance, as well as declarations, strategies, and actions on the fronts of climate change and the circular economy, all framed within our sustainability model. Within that group, we established two working groups - one on climate change and one on the circular economy - in charge of identifying actions in these areas and establishing goals and work plans for the short, medium, and long-term.

Another of our main advances made in environmental management during 2021 was the implementation of a platform for monitoring environmental indicators. Each work center can use the platform to record information on the consumption of energy, water, and fuel for the operation, and on the generation of waste products. During the year we made progress with training and registration for each work center for the different businesses: Service stations, Plants, Aviation service stations, and Lubricants.

The platform also monitors the environmental management system's activities in the area of legal compliance, to prevent risks at operating centers. It provides traceability for our environmental management that is much more accurate, timely, and reliable.

Management system

Terpel's Environmental Management System is based on our environmental policy. That policy is public and includes aspects such as legal compliance, risk management for processes, products, and services, and the promotion

of cleaner practices for the operation.

Environmental fines and penalties: We received an environmental fine in 2021 in the amount of COP \$1,309,627,228. We believe the fine to be unfounded

and are appealing the case in the ordinary jurisdiction. We also have one case in court in the contentious administrative jurisdiction, and one case pending resolution of an appeal for reconsideration.

OUR ENVIRONMENTAL INVESTMENT³⁷ DURING 2021 WAS

6,353
MILLION PESOS.

ENVIRONMENTAL COSTS

Item	Figures in Colombian pesos
Environmental costs at service stations (includes service stations and convenience stores)	5,290,116,354
Environmental costs at plants	490,216,236
Environmental costs in the factory and the laboratory	275,172,937
Environmental costs at airports	90,293,037
Environmental costs at the main office	206,683,645
Total environmental costs (Includes service stations and convenience stores, plants, airports, the factory, the main office, and transportation)	6,352,482,209

37. Investment includes environmental costs incurred by the company during 2021, plus the purchase of 19 wastewater treatment plants or WWTPs.


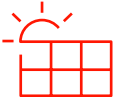
ENERGY CONSUMPTION

Every day we work actively to promote efficient use of natural resources. To do that, each of our work centers - airports, lubricant factory, and supply plants - has established a specific goal and objectives for saving energy. We organize campaigns to raise awareness about using resources efficiently and rigorously monitor energy consumption, which has allowed us to

implement improvements in lighting and equipment. Solar panels at work centers allow us to use renewable energy to reduce the emissions generated by using conventional energy sources.

ENERGY CONSUMPTION

In Gigajoules

	2021	2020
	Consumption of fuels from nonrenewable sources (Terpel diesel, gasoline, and Jet A-1)	33,787.3 23,104.9
	CoElectric energy consumption (includes affiliated service stations) (Total conventional energy consumption)	481,839.2 383,409.51
	Total energy consumption (Total energy consumption + consumption of own fuels).	515,626.5 406,514.41
	Purchase or generation of solar energy (Solar energy consumption for the Cogua, Bascula, and Melgar service stations, and the Baranoa plant, and generation at San José, Villa del Rosario, Buga, Mulaló, Recreo, Montecristo and Vallenata)	2,135



TERPEL ENERGÍA

Terpel S.A., is a public utility that sells natural gas and energy. From it, we buy natural gas for our Gazel network of service stations - selling any surplus using the current regulatory mechanisms - and buy power to run our service stations.

We also purchase energy from the wholesale energy market for the operation of the service stations that are part of the unregulated market. Through this trading company we gain access to the market's best prices and considerable savings in margins.

During 2021, we began supplying energy to three bus yards that are part of Bogotá's mass transportation system. The 1.5 GWh we supplied each month charged 272 electric buses. We were awarded the bid to power two additional bus yards in 2022, at which point Terpel Energía will be providing the energy for 653 electric buses.

We also began serving customers in the regulated market. As at the close of December 2021, we were supplying 0.630 GWh/month to 42 stations located on the country's borders.

During the year 2021 we continued to build self-generation plants using photovoltaic solar technology, inaugurating the plant at the La Vallenata service station. We also began the administration of 10 solar self-generation plants at Organización Terpel facilities that were already operating in 2020.

We closed out the year with a total of 11 work centers functioning with plants that generated 593.05 MWh/year using photovoltaic solar energy, producing 70.1 MWh/month for our own use. This has allowed us to move toward our objective of reducing our carbon footprint.

We have plans for four additional work centers for the year 2022, for a total of 14, enabling us to generate a total of 290 MWh/month (3.5 GWh/year), equivalent to 581 fewer tons of carbon dioxide issued into the atmosphere each year.

Self-generated energy in Vallenata

Our commitment to conservation and environmental care is a constant in all our processes. Through Terpel Energía, we generate our own electricity using 251 solar panels installed at the La Vallenata service station in Valledupar.

With the La Vallenata panels, the company autonomously generates close to 17,200 kWh each month, in other words, 206,000 kWh per year, equivalent to the power consumed by 391 homes over the course of 12 months. With this, we have replaced close to 53% of the electricity required by the station for its operations.

By generating those 206,000 kWh per year at La Vallenata, Terpel each year emits around 26.4 fewer tons of carbon dioxide into the atmosphere, equivalent to the amount of CO₂ absorbed by 436 trees in a year.


WATER MANAGEMENT

The actions we take to efficiently use water at Terpel focus on monitoring and optimizing the resource. Each work center establishes a goal for consumption based on the operation's average consumption. The annual planning for the natural resource monitoring program then determines the actions for continuous improvement that can optimize consumption, such as the collection and use of rainwater, the reuse of discharged water, and other strategies.

The water we use comes from different sources such as groundwater, surface water, municipal water systems, water purchases, and rainwater collection. It is used in restrooms and for washing and cleaning needs.

WATER WITHDRAWAL AND CONSUMPTION

In megaliters

	Total water consumption	590.5
	Total volume of water taken from surface bodies of water	99.04
	Total volume of water taken from groundwater	46
	Total volume of water coming from municipal supplies or other public or private utilities	445.4
	Total volume of rainwater	0.05
	Total volume of water reused	0.003

All water withdrawn is fresh water, and we do not withdraw water in areas of water stress.

DISCHARGES

Our discharges are in accordance with permits and meet the standards established by the environmental authority.

DURING 2021 WE ACQUIRED 19 PLANTS TO TREAT THE DOMESTIC WASTE WATER PRODUCED BY SERVICE STATIONS AND CONVENIENCE STORES AND USE THE TREATED WATER TO WATER GREEN AREAS AT THE SERVICE STATIONS.

WASTE MANAGEMENT

We implemented our waste management program at all our work centers. It includes activities for managing waste in such a way as to prevent environmental impacts and ensure proper disposal.

We train personnel in proper separation, handling, and storage of waste products, current legislation, and the guidelines for the comprehensive waste management plan at each work center. We also regularly inspect the work centers to make sure they comply with these measures.

We define the method for disposing of the waste produced by work centers in accordance with current regulations, and disposal is handled by companies certified by the environmental authority.

Our activities that have waste-related impacts include fuel management, the production, sale, and distribution of lubricants, maintenance activities such as washing tanks, grease traps, and API/ CPI separators³⁷, and the generation of recyclable and organic waste products at our convenience stores.

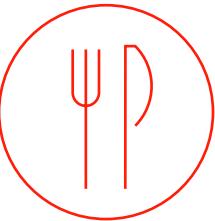
AMOUNT OF WASTE AT ORGANIZACION TERPEL

Type of waste product	Weight (tons)
Non-hazardous	812
Hazardous	6,568
Total waste generated	7,380

Altoque stores

During 2021 we generated 32.6 tons of non-hazardous waste at our Altoque stores. The 97% corresponding to food containers was sent to landfills for disposal, and 3% (cardboard and plastic) was reused. To date, we have not quantified organic waste products, but a plan has been worked out for meeting that challenge in 2022.

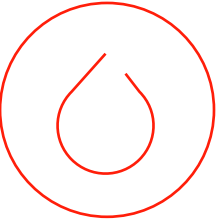
CONVENIENCE SERVICES

	Type of waste product	Treatment method	Weight (ton)
	Hazardous		
	Sent for disposal	N/A	0
	Not sent for disposal	N/A	0
	Non-hazardous		32.6
	Sent for disposal	Landfill	31.7
	Not sent for disposal	Reuse	1
	Total waste generated		32.6

Lubricants plant:

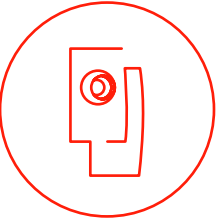
The lubricants plant produced 627 tons of hazardous and non-hazardous waste products. We reused 39% of the non-hazardous waste products produced in 2021.

LUBRICANTS

	Type of waste product	Treatment method	Weight (ton)
	Hazardous		374
	Sent for disposal	Safe cell, incineration, reconditioning, and water treatment.	374
	Not sent for disposal	N/A	0
	No peligroso		253
	Sent for disposal	Landfill	156
	Not sent for disposal	Reuse and post-consumer recycling.	97
	Total residuos generados		627

SERVICE STATIONS

During 2021, with the implementation of the online platform for environmental indicators, one of our first steps was to tabulate the nonhazardous waste products from 329 Terpel-owned service stations.

	Type of waste product	Treatment method	Weight (ton)
	Hazardous		6,194
	Sent for disposal		6,194
	Not sent for disposal	N/A	0
	No peligroso		526
	Sent for disposal	Landfill	394
	Not sent for disposal	Reuse and post-consumer recycling.	132
	Total residuos generados		6,720

OUR COMMITMENT TO CIRCULARITY WITH CONTAINERS AND PACKAGING

We are committed to developing initiatives that will allow us to use containers and packaging manufactured from recycled materials, thus lengthening the useful life of those materials. In line with that commitment, and working ahead of national and international regulations in this area, starting in 2020, we coordinated our waste management plan with our basic sanitation plan for Altoque stores, analyzing biodegradable materials as part of the implementation of the new value proposition for our convenience stores. During 2021, we began offering new food products to our customers that prioritize the use of recyclable packaging that can then be recycled right at the stores.

Likewise, in line with our commitments described in our environmental stance, we established goals for recovering the paper and plastic we use in Terpel-brand packaging. In 2021, we collected 32.5 tons of used material from Altoque store product packaging.

In our lubricant business, we use polyethylene containers and metal drums that can be recycled after cleaning. For shipping we use recyclable cardboard boxes containing 50% recycled material, and we belong to the Retornar group, an initiative to collect cardboard boxes.

The planning and marketing office is currently running a program to recycle containers for lubricants, grease, coolants, battery water, and brake fluid. The program invites points of sale to collect containers, which are then picked up on pre-scheduled routes whose frequency depends on the volume collected. The containers are then treated using an environmentally-friendly cleaning process in line with current environmental regulations, and then shred, ground, and pelletized to obtain recycled plastic for use in making new articles.

The material processing agent gives the point of sale a certificate of the final disposition of the containers, in compliance with the respective regulations. The goal of this voluntary program is to encourage points of sale to participate in the development and implementation of a new, sustainable way of doing things that includes recycling, with an eye toward a considerable reduction in waste generation through recycling, treatment, and reuse. As a result of this initiative, we collected 5,574 kg of lubricant containers in 2021.

SPILL PREVENTION

At Terpel we developed and implemented a program to control spills, hydrocarbon leaks, and environmental contingencies. It establishes guidelines for preventing and responding to events that may occur at the work centers and during the transportation of product, to prevent impacts on the environment or on communities.

Total spill volume
26,535.7
gallons

Total spill volume
100.4
m³

Number of spills
47
of which only 2 were major events in accordance with the COPEC classification³⁸.

Coverage of the data on total volume of spills
100%

INITIATIVES TO REDUCE THE RISK OF SPILLS

Our spill and leak prevention program for all work centers includes talks on best practices for preventing spills during the operation, the publication of basic rules for the operation to prevent spills, the installation of overfill alarms for tanks, and the use of an environmental log.

EMISSIONS MANAGEMENT AND CARBON FOOTPRINT

Our measurement of Scope 1 emissions includes the fuel consumed by Terpel-owned vehicles, by RFL, and by firefighting systems and electric power plants as recorded in the environmental indicators for plants and airports. In 2021, we expanded the scope of the measurement and included the fuel consumed by network service stations and lubricants, and the consumption of CNG by the Terpel-owned fleet. This produced a considerable increase in the figure reported in comparison to the previous year.

We measure Scope 2 emissions based on financial information and reports from the online platform related to energy expenses at Terpel's work centers. The measurement also includes financial data on consumption by Masser service stations and CNG service stations. We determine the total kWh by business line for plants, airports, service stations, convenience stores, the factory, and CNG fueling stations.

Scope 3 emissions correspond to fuel consumed for contracted transportation, air travel, and the energy consumed by affiliated service stations.

In 2021, we expanded the Scope 3 measurement to include the fuel consumed by the fleet contracted by the lubricant factory. This inclusion, in addition to that of the energy consumed by the network of affiliates, considerably increased this Scope's measurement with respect to the prior year, but it has the advantage of taking into account our suppliers and allies in the value chain.

DURING 2021, WE ACHIEVED A 120-TON REDUCTION IN CO₂ EMISSIONS BY USING SOLAR PANELS.

38. COPEC S.A., our main shareholder, has determined three classes in accordance with the associated consequences, with class 3 being the most severe.

In line with best practices, we have expanded the scope of our measurement to include the footprint of our affiliated service stations. For that reason this year's footprint cannot be compared to prior years.



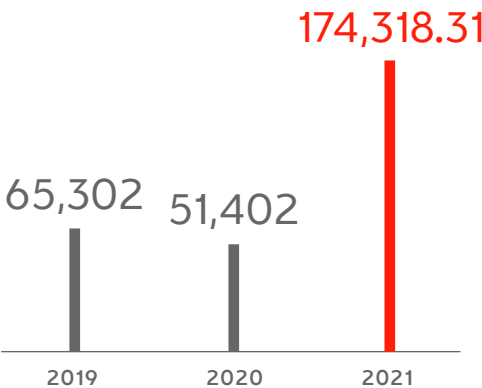
CARBON FOOTPRINT

We measure our carbon footprint based on fuel consumption by Terpel-owned and contracted fleets, fuel consumption by our power plants and the firefighting system, energy consumption by the business lines, and the footprint from employee air travel. We take into account direct emissions (Scope 1), indirect emissions from producing energy (Scope 2), and other indirect emissions (Scope 3). We measure CO₂ only.

INITIATIVES TO REDUCE THE CARBON FOOTPRINT

Managing climate change is one of our action fronts for reaching our objective of being an environmentally-sustainable company. The initiatives to reduce our carbon footprint and to mitigate climate change focus on two fronts. Energy efficiency projects at our operations constitute the first front, in an effort to streamline and optimize energy consumption, and energy generation using solar panels constitutes the second front.

Total carbon footprint in t CO₂e



Emission factor

Scope 1 - Scope 3: Decree 926 of 2017
Scope 2: Resolution 382 of 2021

39. (Terpel-owned transportation, firefighting system, and power plants).
40. Terpel self-generation.
41. Consumption of fuel we use to transport fuel to service stations (not including the return trip) and supply plants, plus the consumption of energy by affiliated service stations.

IDENTIFICATION OF CLIMATE CHANGE RISKS

We look at climate change from two perspectives: its impacts on our business and its impacts on the environment. In line with the requirements of the Financial Superintendent of Colombia, we have begun a process to incorporate the requirements of international standards and frameworks such as the SASB and TCFD, addressing their recommendations and reporting requirements in a timely and strategic manner.

Terpel has identified risks and opportunities associated with climate change as part of our process to identify, analyze, evaluate, and manage risks, moving forward with the description and classification of those risks and methods for managing them.

We have identified commercial, regulatory, and financial risks as well as risks associated with market trends and the industry, and with logistics and operations. We also analyzed the development of new energy sources and products with lower carbon emissions (LPG, CNG, and GT98), identifying the opportunities resulting from such developments as well as impacts on the supply chain.

Lastly, we identified methods for managing those risks and opportunities, and we moved ahead with our definition of our environmental stance, presenting the company's goals and most relevant actions for managing climate change. The three basic pillars are Managing climate change and energy efficiency, Safe operation, and Circular economy.

NEW ENERGY SOURCES AND NEW MOBILITY

Electric mobility is here to stay. The need to take action in response to climate change, together with recent technological developments, makes it only a question of time until a majority of vehicles in Colombia are electric. Terpel, as a Country Partner, has set out to take action to stimulate the development of electric mobility in

Colombia, through its Terpel Voltex brand. In joint work with mass transportation systems and corporate customers⁴², and with a network of charging points at both service stations and elsewhere, Terpel Voltex has taken the first steps toward fulfilling its promise to serve and to facilitate electric mobility in the country.

WITH THE VOLTEX BRAND, WE OFFER ELECTRIC CHARGING SERVICES FOR ELECTRIC VEHICLES AND PLUG-IN HYBRIDS AT STATIONS EQUIPPED WITH THE COUNTRY'S FASTEST CHARGERS.

42. Parking lots at shopping centers.

- Under the Voltex brand, we have installed a total of five fast charging points at Terpel service stations in Colombia.
- We began designing the country's first electric charging hub for heavy electric vehicles at our Intexzona service station.
- Two new mass transportation customers in this segment have positioned Terpel as a partner strengthening the country's infrastructure in the direction of more efficient energy.

Our strategy is to complement our current lines of business with the new energy demands of consumers. During 2021, our Voltex brand powered 272 electric buses.

As a sign of our commitment to energy diversification, our subsidiary Flux Terpel is developing the country's photovoltaic market, promoting self-generation of solar energy and stimulating our customers

in their energy transition. Terpel plans to offer additional solutions for energy efficiency and storage for both families and for industries.





TERPEL'S HUMAN TALENT

Our human talent is evolving and developing. We are convinced that the company's achievements are the result of a committed and responsible team that shares our corporate values, so we create programs for their training and well-being. The year 2021 was a challenging year with the continuation of the pandemic, but our passion to serve the country motivated us to undertake projects that would consolidate us as a team.







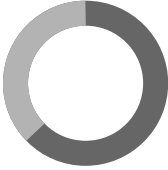

SAFE RETURN

We returned to our administrative offices under a hybrid work model, redesigning worksites with open spaces adapted to the necessary biosafety protocols. We implemented a digital app that can be used to reserve workstations, and facilitates the measurement of workplace occupancy. The hybrid model was chosen by 52.23% of the Terpel team, for a total of 782 employees (378 men and 404 women) alternating between home and the office.

We organized the 9th tour by the Vice President of Human Resources and Administration, and for the first time we involved all the countries where we operate and the core team of our subsidiary Masser. We spent time with more than 2,500 employees in 32 online sessions and talked about the importance of resilience and how we can live life to the fullest.

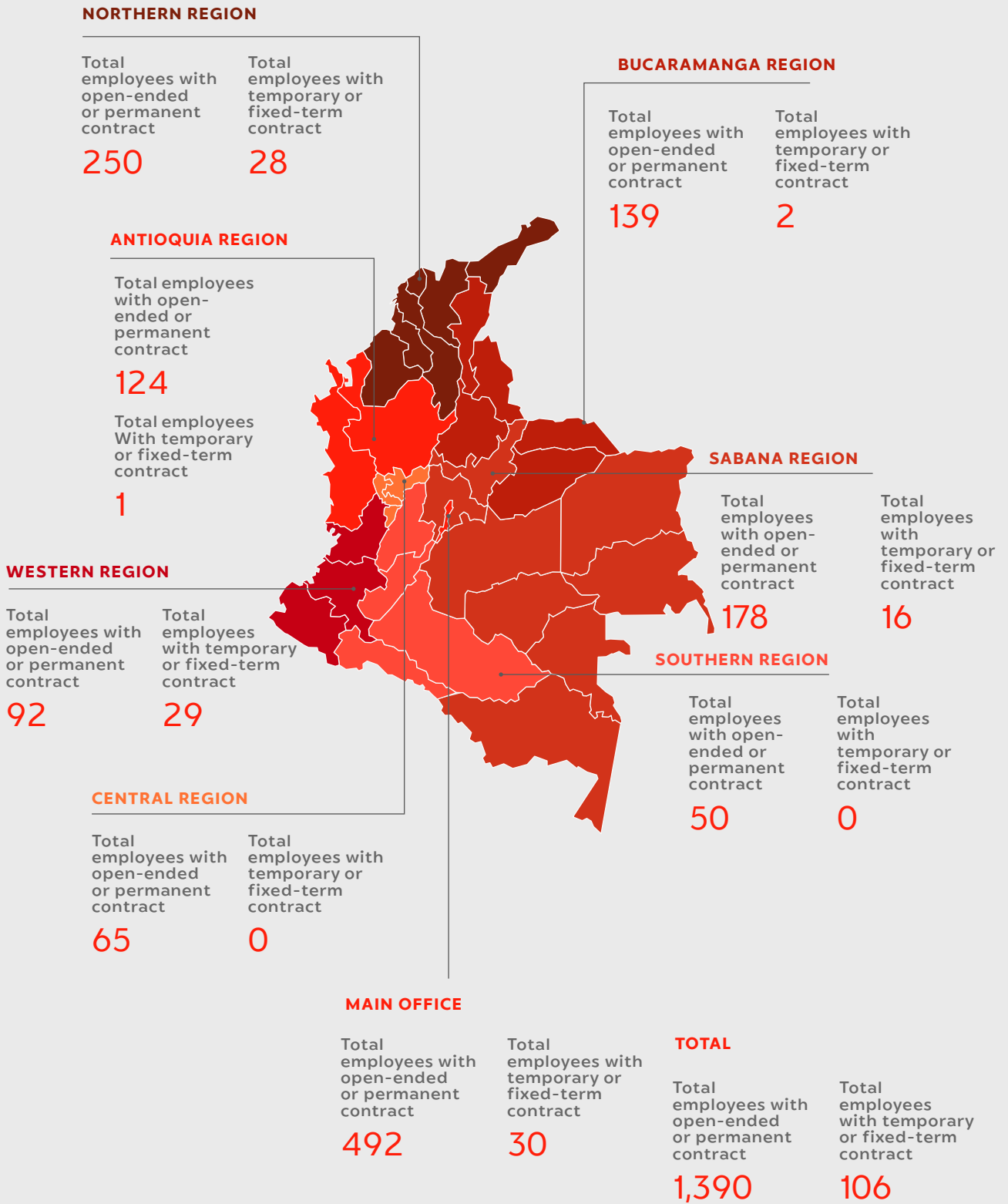


ORGANIZACIÓN TERPEL'S TALENT IN FIGURES

	2020			2021		
Distribution of our team members						
Direct employees	 958 (64,82%) 520 (35.18%)		1,478	 962 (64.30%) 534 (35.70%)		1,496
With open-ended or permanent contract	889	498	1,387	884	506	1,390
With temporary or fixed-term contract	69	22	91	74	28	102
With hourly contract or for a specific task				4	0	4
Full time	958	518	1,476	962	533	1,495
Part time	0	2	2	0	1	1
Foreign workers	5	1	6	3	1	4

EI 96.6%

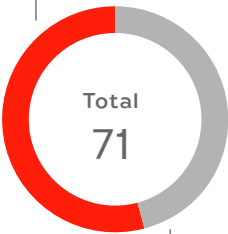
of our managers are from the local community.



TALENT ATTRACTION
AND RETENTION

New hires in 2020

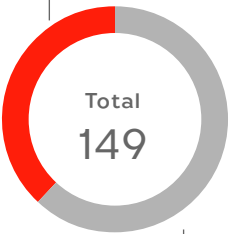
Women
38/54%



Men
33/46%

New hires in 2021

Women
57/38%



Men
92/62%

Annual new
hire rate = 10%

Number of job vacancies filled
by internal personnel 2021



50



75



125

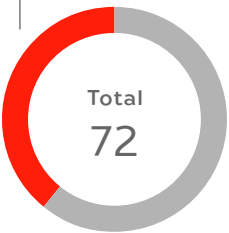
We have faith in the knowledge, skills,
and professionalism of our team, and we
therefore strive to fill vacant positions at all
levels of the company with our own Terpel
team members

NEW HIRES BY AGE
AND GENDER 2021

Total	Men	Women	Total
Younger than 30	28	24	52
From 30 to 40 years	37	28	65
From 41 to 50 years	23	5	28
From 51 to 60 years	4	0	4
From 61 to 70 years	0	0	0
Older than 70	0	0	0
Total	92	57	149

Employee
separations 2020

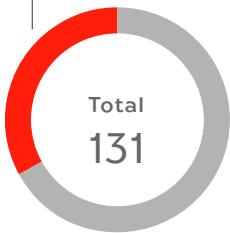
Women
28/39%



Men
44/67%

Employee
separations 2021

Women
43/33%



Men
88/67%

Total annual turnover rate

2020	2021
4.87%	8.76%

Turnover of 9% was expected for 2021.

Separations by age and gender 2021

	Men	Women	Total
Younger than 30	21	10	31
From 30 to 40 years	33	18	51
From 41 to 50 years	18	5	23
From 51 to 60 years	9	0	9
From 61 to 70 years	7	10	17
Older than 70	0	0	0
Total	88	43	131

Regions	Total new hires	Total separations
Northern region	9	11
Antioquia region	6	8
Central Region	0	4
Western region	27	23
Sabana region	22	20
Southern region	1	6
Bucaramanga region	5	4
Main Office	79	55
Total	149	131

Of the 131 people who left their jobs, 15 left by mutual agreement, 63 resigned, 6 retired, 25 were dismissed, 3 died, and 19 left for other reasons.

Number of separations	Men	Women	Total
Dismissal	19	6	25
Mutual agreement	6	9	15
Resignation	40	23	63
Retirement	3	3	6
Death	3	0	3
Other reasons	17	2	19
Total	88	43	131

Seniority 2021

	Men	Women	Total
Less than 3 years	225	134	359
From 3 to 6 years	263	144	407
From 6 to 9 years	95	50	145
From 9 to 12 years	129	65	194
More than 12 years	250	141	391
Total	962	534	1.469

COMPENSATION
AND BENEFITS

Our fair remuneration system pays 80 to 120% of the market median. In 2021, we conducted the first regional salary study with the firm Korn Ferry, in pursuit of mechanisms to promote retention, equity and competitiveness.

BENEFITS FOR
OUR TEAM

In Colombia we offer our employees a broad portfolio of benefits tailored to their needs, including life insurance, a funeral policy, and home loans. Relative to the work schedule we offer compressed work weeks, birthdays off, a day off for the 5-year work anniversary, and additional vacation days. Benefits also include education and recreation subsidies, a subsidy for obtaining a prepaid medical plan, and assistance for disability and medical needs.

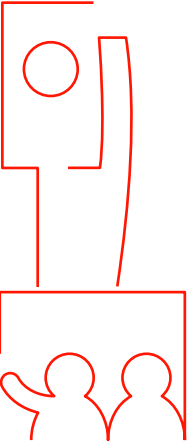
Employees are also entitled to take parental leave, and 43 of our employees enjoyed this benefit during 2021 (27 men and 16 women). Of those who took this leave, 100% returned to the organization at the end of

the period. And 42 of them are still with the company after one year. In addition, with an eye toward gender equity, our female employees in Colombia who so wish may remain at their jobs after the age of 57 and until the age of 62, which is the legally established retirement age for men.

Our Bienser program continues to improve the mental health and quality of life of employees and their basic family groups, with initiatives that promote a balance between work and personal life. The program includes Teleapoyo BIP, a hotline employees can call for legal, nutritional, financial, and tax assistance and coaching. And Bienser virtual offers courses in yoga, photography, cooking, and managing one's emotions.

EDUCATION AND TRAINING

Average hours of training 2021

	Men	Women	Total
 Total hours senior management (President and VPs)	8	14.7	10
Total hours managers	24.7	32.2	27.1
Total hours directors	32.7	43.9	37.4
Total hours heads and executives	53	51.9	52.5
Total hours analysts and supervisors	49.4	45.2	47.1
Total hours technicians and assistants	34.2	28.4	31.5
Total hours workers	43.5	28.7	42.3
Total	43.4	40.7	42.4

WE INVESTED COP \$2,262,398,331 IN TRAINING IN 2021.

TRAINING INITIATIVES

We strengthen the Terpel team through programs that develop and complement their knowledge. The majority of the company's training content can be found in these three tools:

- **Clase T:** this is our online platform for the corporate university. All training on company topics can be found there.
- **Ubits:** this online training platform has more than 400 content modules providing training in technical and non-technical skills.
- **Platz:** this is a specialized training platform for technology, innovation, and the development of people skills.

We also have a virtual platform called *El mercado de saberes* or Knowledge Market. It's an initiative that gives employees different options for personal development, through its collection of articles written by employees, podcasts, corporate talks, and online capsules, all brought together in one place.

TALENT IN DEVELOPMENT

We are always on the look out for opportunities for growth and development for our team members because we believe in our talent, value their skills, and want to offer them new professional challenges. The Talent in Development program **provides internal mobility for a limited period** to help many of our workers experience new professional challenges inside the organization. It's a way they can develop skills and enrich their knowledge of the business, allowing them to advance their career in-house.

DURING 2021, 72 PEOPLE PARTICIPATED IN THE PROGRAM, COVERING 57 POSITIONS.

Participants by division and job category

Division	Total Number of people
Finances	9
Corporate and Legal Affairs	2
Sales	28
Human Resources	2
Operations	7
Aviation and Marine Fuels	0
Convenience Services and Marketing	13
Technology	0
Lubricants	11
Total	72

By job category	Total positions covered
Senior management (President and VPs)	0
Managers	1
Directors	4
Heads/ Executives	12
Analysts/ Supervisors	28
Technicians/ Assistants	12
Operations personnel	0
Total	57

CAREER PATH AND SUCCESSION PLAN

Career paths are fundamental at Terpel. We have a process that allows our employees to learn about opportunities for growth, and how to gain the experience, skills, and abilities they need to continue growing at the company. At the close of 2021, 35 employees had a development plan in place. We are also implementing succession plans to identifying successors for critical roles in the company. We determined in 2021 that, out of a total of 457 positions, 128 are critical.

We have a skills development program for senior management, which targets employees promoted to leadership and management roles.

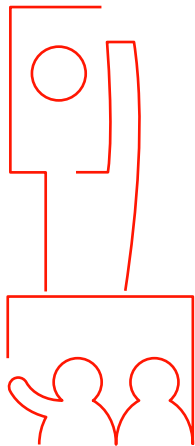
And we also have a skills development program for middle management – heads and supervisors – that strengthens their leadership competencies in favor of their own development and that of their teams.

LEADERSHIP

During 2021, we created a region-wide leadership policy. We defined the 10 characteristics a Terpel leader must have, and we established guidelines to help employees strengthen the human skills they need to meet the profile the organization requires.

TRAINING SCHOOLS

Terpel Schools are training programs where employees, suppliers, franchise owners, allies, and customers can learn about our business lines, and can become proficient in techniques and best practices for operations, sales, and safety.

School	People trained
 Pump Island School	5,770
Administrators School	1,574
Store School	786
Aviation School	153
Industry school	25
Drivers School	4,766
Franchise School	2,450
Reliable Service Stations	2,258
SAP School (internal)	117
Total	17,899

PERFORMANCE EVALUATION

We assess the work of each employee, encouraging his or her development and personal and professional growth, using a performance evaluation.

For the last four years we have been measuring the following competencies: results orientation, strategic discipline, and an attitude of service. Last year we added a leadership segment. We promote impartiality, objectivity, transparency, and due care in the administration of this annual evaluation.

Employees receiving performance evaluations	2020			2021		
	Men	Women	Total	Men	Women	Total
President		1	1	0	0	0
Vice Presidents	7	3	10	0	0	0
Managers	17	8	25	19	8	27
Directors	44	31	75	45	29	74
Heads/ Executives	154	97	251	156	102	258
Analysts/ Supervisors	164	188	352	153	188	341
Technicians/ Assistants	175	133	308	163	133	296
Operations personnel				391	45	436
Total	561	461	1.022	927	505	1,432

In 2021, there were 10 people (vice presidents) who did not receive a performance evaluation, due to the change in president. In addition, no performance evaluation was done for people who joined the company during the month of December, or the new president.

WE CREATED A NEW PERFORMANCE EVALUATION FOR USE IN 2022, BASED ON THE 270° MODEL. IT INCLUDES FEEDBACK FROM THE SUPERVISOR AND THE EMPLOYEE, AND - FOR THE LEVELS OF DIRECTOR TO EXECUTIVE - FROM RANDOMLY CHOSEN PEERS.

OUR TEAM'S SATISFACTION

Because there was no working climate evaluation in 2021 due to the COVID-19 pandemic, the company plans a regional evaluation in the year 2022. We did, however, measure the McKinsey Organizational Health Index to understand which elements of leadership and culture we need to strengthen in order to build the Terpel of the Future.

We received a score of 87/100 for the index, putting us among the top 10 companies in the world in terms of organizational health.

In terms of reports or claims associated with labor practices, we received 15 during the reporting period, 8 of which were resolved in favor of the company. The remaining claims are still in process. There were two reports related to workplace or sexual harassment, which were both resolved in favor of Terpel.

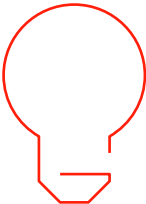
SUPER T –
OUR AWARDS PROGRAM

Super T is our awards program in Colombia, Peru, and Panama where we publicly recognize and express gratitude for outstanding attitudes in the areas of results-orientation, leadership, service, and other corporate values.

WE HANDED OUT 637 AWARDS DURING 2021 IN COLOMBIA. 398 WERE 'EXTRAORDINARY' AWARDS FOR EXCEPTIONAL EFFORTS, ACHIEVEMENTS, OR ATTITUDES THAT ARE ABOVE AND BEYOND WHAT IS EXPECTED AND HAVE A VERIFIABLE IMPACT ON TERPEL'S STRATEGY AND/OR PERFORMANCE. ANOTHER 239 WERE 'DAILY' AWARDS FOR OUTSTANDING ATTITUDES, BEHAVIORS, OR ACTIONS.

'UNICOS" PROGRAM

Únicos is our innovation program. It promotes short-term creation of innovative ideas by employees with an eye toward achieving efficiencies in processes and daily activities.

Innovation indicators		2020	2021
	Number of ideas	56	12
	Percentage of ideas implemented	0*	42
	Number of participants	80	19 ⁴³

*We launched the program with a focus on brainstorming ideas.

The Ministry of Science, Technology, and Innovation recognized Terpel's differentiated fuel project as an innovation relevant to

the needs of Colombia and the world that works in favor of sustainability and the economy and has a major impact on the environment.

The Ministry highlighted the contribution of such products to meeting the SDG's in the area of energy efficiency.

43. During 2021, we did not launch a challenge for our open internal innovation program - Unique. We instead focused on implementing the winning ideas from 2020.

COLLECTIVE EMPLOYMENT AGREEMENT

Terpel promotes and respects freedom of association. Our collective employment agreement covers 1,377 of our employees (92%). Another 51 workers (3.4%) are affiliated with Unión Sindical Obrera, USO, which is an industry trade union, including 46 men and 5 women. We did not engage in collective bargaining in 2021.

Challenges 2022



Activate the new cultural ecosystem called VivamosTerpel (Let's Live Terpel) in all the countries where we operate.

Consolidate new working formats.

Strengthen performance management through individual goals that contribute to meeting the overall strategy.

Implement the Diversity, Equity, and Inclusion Policy.

Define the succession plan for heads of divisions and offices in Colombia, and share the methodology with the other countries.

EQUITY, DIVERSITY, AND INCLUSION

Equity, diversity, and inclusion are extremely important at our organization, and our work in these areas has reached a variety of milestones. In 2012, we elected the first female president in the sector, and in 2013 we created our Restoring Dreams program to coordinate all our peace-building and reconciliation initiatives. In 2016, we formed a partnership with the Best Buddies Foundation to employ people with cognitive disabilities, and in 2020 we formed the diversity teams and defined our first gender equity policy.

2021 was a year of great progress in our work in these areas. It was a period of diagnosis, reviewing internal processes, and raising awareness, which allowed us to keep moving down a more inclusive and diverse path, where we are making increasing progress living with #NoLabels.

DIVERSITY, EQUITY, AND INCLUSION POLICY

In the year 2021, we evolved our Gender Equity Policy to make it more robust and include more areas of the company. The objective is to position Terpel as a company that promotes and guarantees diversity, gender equity, equal opportunities, and inclusive environments in all its operations. To do that, we focused on three fronts:

- **Diversity:** is what makes people different, including nationality, gender, ethnic group, race, beliefs, marital status, age, and sexual orientation.
- **Equity:** stresses that all people should compete for job opportunities under the same conditions. Therefore, attitude, ability, and knowledge are the determining factors for hiring and subsequent development.



- **Inclusion:** refers to hiring people from vulnerable population groups. They may have slight cognitive or physical disabilities, or be the victims of armed conflict, former combatants, or former inmates. We identify opportunities that will help them develop their skills to thereby narrow social and employment gaps.
- We continued to hire former combatants and former inmates through our Restoring Dreams program. We believe in second chances and are committed to taking action to move forward with reconciliation and peace-building in Colombia.
- We achieved retirement at the same age for men and women.

MAIN ACTIONS IN 2021

- We strengthened our organizational structure by creating an office for leadership, diversity, and culture.
- We formed a work committee with people from different areas to promote and implement initiatives and to spread the news around the company about what we are doing.
- We redefined the scope of some of our benefits, including, for example, an additional hour of break for nursing mothers, and a special paternity leave.
- We established important partnerships with institutions such as the LGBT Chamber of Commerce, Women Working for the World, Women in Connection, the Global Compact, the Gender Parity Initiative Colombia under the Ministry of Labor, and the Safe Spaces Program against Gender Violence.
- We used the results of an internal perception survey on diversity, equity, and inclusion, a Ranking PAR gender equity diagnosis, and some focus group conclusions to strengthen our measuring process.

TRAINING:

We provided diversity training for 679 people on our team in Colombia in 2021, equivalent to 46% of all personnel, in seven different training arenas:

- Let's talk with #NoLabels
- Inclusion of disabled individuals
- Building a path to gender equity
- IBM D&I Best Practices Webinar
- The Inclusion Train
- Inclusive hiring workshop
- Training module for the Diversity, Equity, and Inclusion (DEI) Committee

Terpel with No Labels

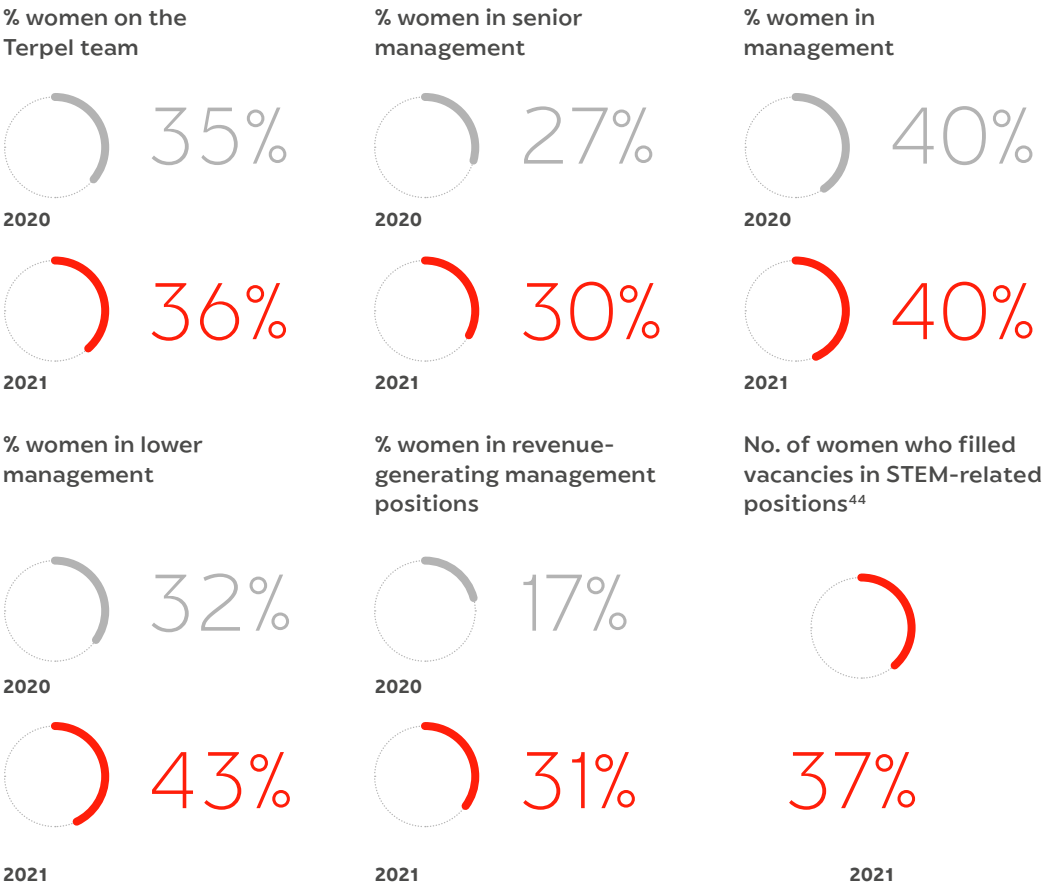
We launched the campaign "Terpel with No Labels" as a way to share best practices for gender equity, diversity, and inclusion with our employees and other stakeholders. It's a corporate arena that allows us to raise our awareness

and make a commitment to diversity, equity, and inclusion, and not just at work, but in our personal lives as well.

The focus is on training our teams to set aside unconscious bias adopted

through our culture in order to prevent discrimination against people based on identity or sexual orientation, or on a disability or any other aspect, understanding that we can all live with #NoLabels.

PARTICIPATION BY WOMEN AT TERPEL



Level	#	%	Goal
President	0	0%	
Vice President	3	33%	30%
Manager	28	32%	31%
Director	80	43%	43%
Head/ Executive	277	40%	42%
Supervisor / Analyst	363	55%	55%
Technician/ Representative	298	46%	50%
Operations personnel / Assistants	440	9%	15%
Total	1,496	36%	38%

Total number of women as of December 31	534
STEM final	167
Total # of women by category	
STEM by categories	
Science	22
Engineering	80
Mathematics	39
Technology	26
Non-STEM positions	367

44. An acronym for professions associated with Science, Technology, Engineering, and Mathematics.

PARTNERSHIP WITH THE
BEST BUDDIES FOUNDATION
(COLOMBIA)

In August 2016, we formed a partnership with the Best Buddies Foundation to invite people with cognitive disabilities to join our team, whom we call "Best Buddies." During 2021 we designed a training plan for five best buddies to develop their office skills and personal competencies and expand their technical knowledge.

DURING 2021, THERE WERE
NO CASES OR REPORTS OF
DISCRIMINATION.

WORKERS BY DIVERSITY CATEGORY (COLOMBIA)

Employees by age group	2020			2021		
	Men	Women	Total	Men	Women	Total
Younger than 30	168	102	270	133	95	228
From 31 to 40 years	391	228	619	400	235	635
From 41 to 50 years	260	142	402	278	160	438
From 51 to 60 years	123	48	171	138	44	182
From 61 to 70 years	16	0	16	13	NA	13
Older than 70	0	0	0	0	NA	0
Total	958	520	1,498	962	534	1,946

Diversity of governance
bodies and employees

Total number of people in the organization's governing bodies	118
Total number of men in the organization's governing bodies.	72
Total number of women in the organization's governing bodies	46

Diversity of governance
bodies and employees by age

Number

Younger than 30	0
From 30 to 40 years	22
From 41 to 50 years	52
From 51 to 60 years	42
From 61 to 70 years	2
Older than 70	0
Total	118

Note: information covers positions from directors to the president.



MASSER manages service stations and Altoque brand convenience stores under a franchise model.

It belongs to Organización Terpel and is a strategic partner, creating value for its brands through efficient operations and memorable service.

In May 2021, during a series of protests and social demonstrations, we deployed every preventive measure necessary to ensure the physical safety of both our customers and our workers. Even when we had to temporarily close some of our stations, in no case were the jobs of our employees affected.

We took initiatives during 2021 that allowed us to outperform sales in the fuel and convenience store businesses, despite the fact that the year had its complexities with public disturbances and the restrictions on mobility caused by the third wave of the pandemic.

Main actions in 2021

- We implemented the *Masscontrol* tool to automate fuel inventories at service stations and suggested orders for convenience stores.

- We included this information online, to enable timely management of supply and loss control.
- For field audits, we consolidated use of the Check Rocket tool, achieving better traceability for the action plans for each point of sale.
- We obtained efficiency in fuel loss (fluctuation), attaining an indicator of 0.07% of sales. This represents approximately 77,000 gallons over the course of the year

OUR TEAM

Employees

	2020			2021		
	Men	Women	Total	Men	Women	Total
Direct employees	937 (55%)	776 (45%)	1,713 (100%)	910 (53%)	794 (47%)	1,704 (100%)
With open-ended or permanent contract	937	776	1,713	910	794	1,704
With temporary or fixed-term contract	34	42	76	75	107	182
Total	971	818	1,789	985	901	1,886
Full time	937	776	1,713	979	850	1,829
Part time	-	-	-	6	51	57
Total	937	776	1,713	985	901	1,886

Total number of apprentices: 71

	With open-ended or permanent contract	With temporary or fixed-term contract
Regions		
Northern region		
Antioquia region		
Central Region	167	20
Western region	337	36
Sabana region	298	36
Southern region	146	15
Bucaramanga region	165	15
Main Office	73	5
Total	1,704	182

Employees by age group

	2020			2021		
	Men	Women	Total	Men	Women	Total
Younger than 30	354	310	664	285	330	615
From 31 to 40 years	387	299	686	475	380	855
From 41 to 50 years	145	138	283	172	159	331
From 51 to 60 years	49	27	76	50	27	77
From 61 to 70 years	2	2	4	3	5	8
Older than 70	0	0	0	0	0	0
Total	937	776	1,713	985	901	1,886

TRAINING PROGRAM
"MASS SABER ALTOQUE"

We have designed and implemented the *Mass Saber Altoque* (More Altoque Knowledge) training program to promote improvements and growth for our stores. The training cycle reinforces and updates knowledge about products, processes, and procedures. The program covered 55 stores and 78% of our personnel, equivalent to 228 employees in that business.


During 2021, we invested COP \$138,863,469 in training.




Total hours of
training
29,816

Number of workers
trained
3,182

Training by position and gender

	Men	Women	Total
			
	Total analysts/ supervisors trained	102134	236
	Total operations personnel	1,5561,390	2,946
	Total	1,6581,524	3,182

Hours of training by position and gender

	Men	Women	Total
			
	Total hours analysts/ supervisors	1,9501,946	3,896
	Total hours operations personnel	13,48612,434	25,920
	Total	15,43614,380	29,816

HIRING AND
TURNOVER

Our personnel selection and hiring policy establishes guidelines for the process, so we can hire ideal candidates that meet the requirements of the company's different areas, in accordance with needs and profiles.

We work to strengthen ties with our people and foster a sense of belonging, in order to increase longevity at the company and reduce turnover.

In 2021 we organized two virtual tours through the regional offices as part of our program called "Human Resources for You." It reinforced information about our program of benefits and created arenas for dialogue with our promoters. The first tour consisted of 19 nation-wide meetings, reaching more than 1,200 promoters. More than 1,300 people participated in the second tour, consisting of a set of 10 talks.

We also launched an incentives plan for promoters in 2021 in the service station and convenience store businesses. The goal was to improve business indicators while recognizing promoters for their contribution to the bottom line. There were a total of three campaigns during the year.

Seniority

	2020			2021		
	Men	Women	Total	Men	Women	Total
Less than 3 years	524	503	1,027	536	572	1,108
From 3 to 6 years	368	207	575	403	260	663
From 6 to 9 years	25	32	57	15	25	40
From 9 to 12 years	6	10	16	17	19	36
More than 12 years	14	24	38	14	25	39

New hires by age and gender

	Men	Women	Total
Younger than 30	118	137	255
From 30 to 40 years	103	128	231
From 41 to 50 years	16	22	38
From 51 to 60 years	1	0	1
From 61 to 70 years	0	0	0
Older than 70	0	0	0
Total	238	287	525

Hires by region

	New hires
Northern region	106
Antioquia region	30
Central Region	52
Western region	117
Sabana region	126
Southern region	45
Bucaramanga region	43
Main Office	6
Total	525

People receiving promotions: 23



Indicator

	2020	2021
Vacancies that could be filled by internal personnel	29	89
Total vacancies filled internally (promotion or horizontal movement)	13	23
Vacant positions filled internally by men (promotion or horizontal movement)	5	10
Vacant positions filled internally by women (promotion or horizontal movement)	8	13
Percentage of vacant positions filled internally	44.8%	26%

Average monthly employee turnover rate

3.2%

Number of separations


	Men	Women	Total
Dismissal	161	133	294
Mutual agreement	1	0	1
Resignation	219	265	484
Retirement	0	1	1
Death	0	1	1
Other reasons	11	2	13
Total	392	402	794

Separations by age and gender

	Men	Women	Total
Younger than 30	157	142	299
From 30 to 40 years	191	211	402
From 41 to 50 years	36	43	79
From 51 to 60 years	7	6	13
From 61 to 70 years	1	0	1
Older than 70	0	0	0
Total	392	402	794

Separations by region

	Total separations
Northern region	87
Antioquia region	76
Central Region	79
Western region	183
Sabanaregion	224
Southern region	75
Bucaramanga region	65
Main Office	5
Total	794

A full-page background image with a red overlay. It depicts a worker in a steel mill or construction site, wearing a white hard hat with the 'terpet' logo, safety glasses, a respirator mask, and heavy-duty gloves. The worker is standing on a metal structure, holding a long vertical steel beam. The background shows industrial smoke and large circular structures. The entire image is tinted red with semi-transparent circular patterns.

We prevent and control the risks inherent to our operation, implementing policies and practices that offer a safe working environment to our employees, contractors, and neighboring communities.

We are committed to ensuring safe working conditions every day. So, at Terpel we have an occupational health and safety management system that covers all our employees and applies to all the activities carried out by the organization in the different business lines and work areas.

Our employees participate actively in health and safety issues on the Joint Management-worker Health and Safety Committee (COPASST), on the Labor Relations Committee, the emergency response brigades, and on the Highway Safety Committee.

We also inform our team about issues related to the Occupational Health and Safety Management System (OHS-MS) using the Intranet, a monthly occupational health and safety newsletter, and a variety of other communications.

Some of the topics covered are active break exercises, the lessons learned newsletter, occupational health and safety programs, diagnoses of health conditions, corporate goals, and COVID-19 prevention protocols.

DURING 2021 WE RECEIVED 559 QUERIES RELATED TO WORK AT HEIGHTS, PERSONAL PROTECTIVE EQUIPMENT, SAFETY MEASUREMENTS, ACCIDENT RATES, AUDIT RESULTS, MEDICAL EXAMS, AND OTHER MATTERS. 100% WERE MANAGED AND ANSWERED BY THE JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEE, MADE UP OF FOUR EMPLOYEE REPRESENTATIVES AND FOUR MANAGEMENT REPRESENTATIVES AND THEIR RESPECTIVE ALTERNATES.

IDENTIFICATION OF HAZARDS AND RISKS

We organize hazard and risk identification workshops for employees, work center supervisors and HSEQ supervisors, and as a team we generate a matrix to identify, evaluate, and determine controls.

This information can be found on an online platform to which all work centers have access, facilitating assessment and definition of controls.

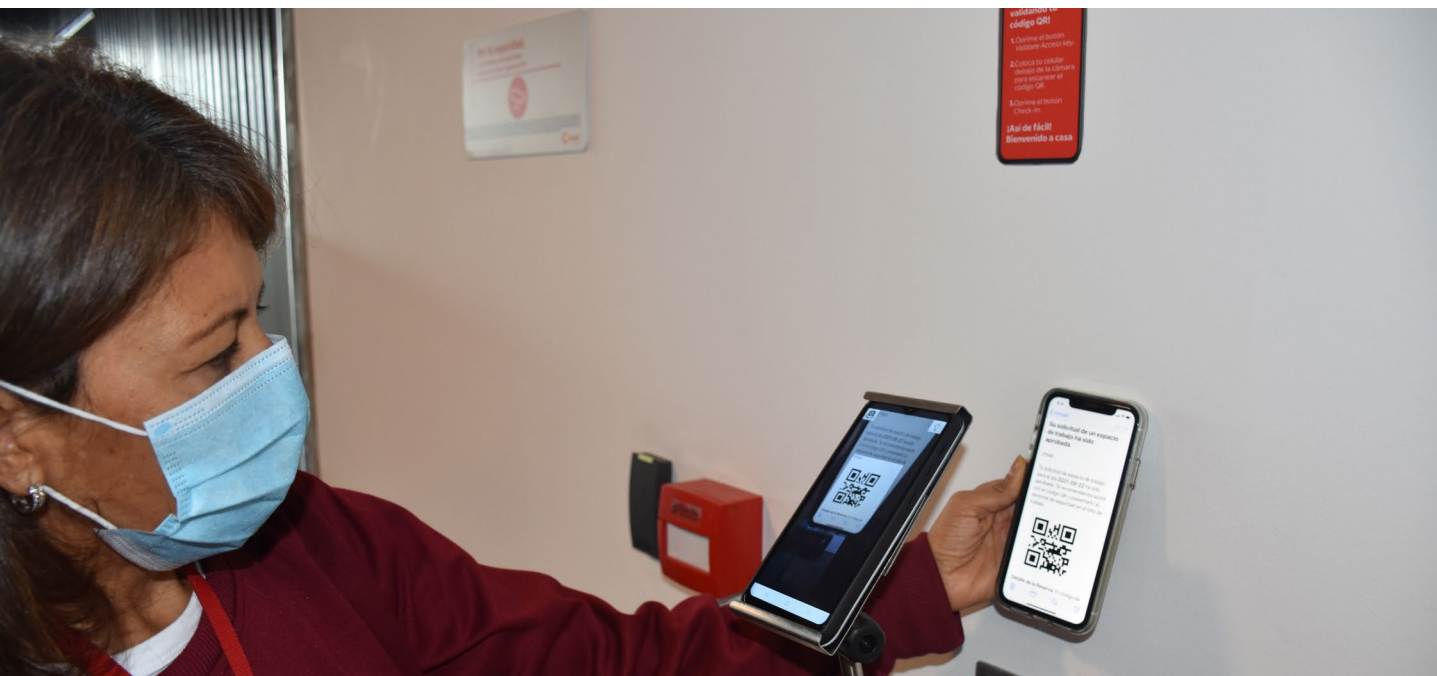
IN 2021 WE CREATED A VIRTUAL TOOL TO CONSOLIDATE THE INFORMATION FROM EACH WORK CENTER ON HAZARDS, RISKS, AND PROCESS CONTROLS. THIS ALLOWS US TO QUICKLY AND EFFECTIVELY RUN UPDATES EACH YEAR. 89% OF OUR EMPLOYEES PARTICIPATED IN THE UPDATE OF THE HAZARDS AND RISKS MATRIX.

We have an epidemiologic surveillance system we used to conduct illness perception questionnaires and assess workplace conditions. We also delivered ergonomic equipment, helped adjust workstations at home, conducted ergonomic inspections, followed up on symptoms and medical cases, and took occupational measurements of noise, temperature, ventilation, and chemicals at the work centers.

During the year 2021, we also updated the chemical substances program in accordance with the new requirements of the globally harmonized system.

THE HEALTH OF OUR WORKERS

At Terpel, we facilitate access to quality healthcare for our employees. All of our team members are affiliated with a healthcare service provider (EPS). We also provide assistance for affiliation with a prepaid medical plan, and in cases of work-related accidents or occupational illness, employees are covered by the Labor Risks Administrator (ARL).



DURING 2021 WE RENEWED ON-SITE OCCUPATIONAL HEALTH AND SAFETY AUDITS, WHICH FACILITATED FIELD REVIEW OF EVIDENCE.

WE PERFORM INDEPENDENT EXTERNAL VERIFICATION OF HEALTH, SAFETY AND WELL-BEING IN COMPLIANCE WITH THE ISO 45001 STANDARD. THIS IS DONE REGULARLY, ONCE A YEAR, AND AS NEEDED IN THE CASE OF A SIGNIFICANT CHANGE IN INFRASTRUCTURE OR PROCESSES.

We consult with medical advisors on health issues and promote our employees' total health (mental, emotional, and physical, both inside and outside the workplace) through programs such as:

- **Dynamic people:** this physical therapist-led program promotes a healthy lifestyle through physical movement to prevent heart disease and musculoskeletal disorders.

The program provides activities that promote health, prevent disease, and enable rehabilitation, with an eye toward the new working conditions. Program actions included monitoring work at home, checking ergonomic equipment and work station conditions, offering workshops on fitness and virtual brain breaks, and strengthening biosafety protocols.

In 2021, 83% of all employees participated in the program

- **Comprehensive Health Program:** this program provides comprehensive health monitoring with an emphasis on preventive and occupational medicine for the target group of workers.
- **Psychosocial risk prevention system:** this system provides tools for self-management, to help workers face and cope with situations they perceive as threatening.

It gauged the emotional health of workers dealing with the COVID-19 contingency, helping them develop a healthy approach to the new situation with its quarantines and remote work. We did this by making telephone calls and accompanying workers and their families, monitoring reports of new psychosocial developments, and providing self-care tips in favor of mental health and strategies for remote work and leadership. A total of 89% of our employees participated in the program.

- **"Take a break" program:** this program encourages physical activity by suggesting employees take a break and do something different during the week. It helps employees improve their posture, and also make plans that will help them take time to truly disconnect from work.

OCCUPATIONAL HEALTH AND SAFETY INDICATORS - TERPEL EMPLOYEES

Occupational Health and Safety Indicators for Employees

	2019			2020			2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total days worked	305,660	185,610	491,270	307,404	172,104	479,508	318,047	186,278	504,325
Total hours worked	3,150,391	1,714,715	4,865,106	3,085,938	1,584,566	4,670,505	2,960,061	1,714,288	4,674,350
Work-related fatalities	0	0	0	0	0	0	0	0	0
Total employee lost days (Incident rate)	20.24	15.07	18.28	11.47	13.44	12.18	4.84	0	3.06
Severity rate	1.42	0.83	1.19	0.5	0.18	0.39	0.58	0	0.37
Accidents with lost time	14	5	19	5	1	6	6	0	6
Total recordable accidents (with or without lost time)	-	-	-	-	-	-	-	-	24
Days lost from accidents	200	91	291	114	75	189	50	0	50
Number of occupational illnesses	1	1	2	0	0	0	0	0	0
Accident index	11.11	7.58	9.87	4.54	1.89	3.64	7.4	1.17	5.13
Lost time injury frequency rate	4.44	2.92	3.91	1.62	0.63	1.28	2.03	0	1.28
Occupational illness frequency rate	6.3	5.8	6.1	0	0	0	0	0	0

OCCUPATIONAL HEALTH AND SAFETY INDICATORS
– TERPEL CONTRACTORS

Occupational health and safety indicators for contractors

	Total 2021
Total days worked	511,368
Total hours worked	4,090,944
Work-related fatalities	1
Total employee lost days (Incident rate)	5.8
Accidents with lost time	10
Days lost from accidents	95
Total recordable accidents (with or without lost time)	10
Number of occupational illnesses	0
Accident rate	0.61
Lost time injury frequency rate	2.44
Contractors whose occupation has a high incidence or high risk of illness	N/A

HEALTH AND SAFETY
TRAINING

Training this year has dealt with COVID-19 prevention, and legal updates and compliance in the area of occupational health and safety.

In addition, we disseminated and explained the biosafety protocol, personal protective equipment, active breaks, workplace posture and ergonomics, road safety for heavy vehicles, safe work at heights, the transportation of hazardous goods, and early warnings related to mental health. We also provided telephone support to workers to promote their mental and emotional well-being.

WE PROVIDED 382 HOURS OF TRAINING IN OCCUPATIONAL HEALTH AND SAFETY DURING 2021 THROUGH VIRTUAL INDUCTION COURSES FOR NEW EMPLOYEES, TRAINING 191 PEOPLE. WE PROVIDED ANOTHER 665.5 HOURS THROUGH OUR RE-INDUCTION PROCESS COVERING 1,331 PEOPLE.

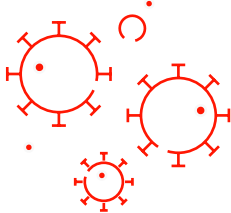
We received no fines or penalties in 2021 for non-compliance with occupational health and safety regulations or voluntary codes.

HEALTHCARE DURING
THE COVID-19 PANDEMIC

Our medical program to monitor COVID ensured follow-up on each suspected or confirmed case and enforcement of the biosafety protocols.

We developed and disseminated the biosafety protocol and self-care recommendations and strategies. We implemented channels for communication and reporting.

COVID-19 Figures

	Men	Womem	Total
			
Employees, number of active cases	25	16	41
Employees, total number of positive tests	193	102	295
Maximum number of employees with positive test results	45	26	N/A
Employees, COVID-19 fatalities	2	0	2

AS OF DECEMBER⁴⁵ 2021, A TOTAL OF 1,382 EMPLOYEES WERE FULLY VACCINATED (88%) AND ANOTHER 91 (6%) HAD RECEIVED THEIR FIRST DOSE.

45. As at December 31, 2021.

Notes:

- Employees who received the Janssen vaccine are counted as having received their "second dose," because the vaccine is administered in a single dose.
- Vaccination is considered complete at Terpel after administration of the second dose.
- Individuals vaccinated under the National Vaccination Plan with the AstraZeneca vaccine are included in the "first dose" category, because the second dose of that vaccine is administered 84 days after the first.

RELIABLE SERVICE STATIONS

The objective of our Reliable Service Station program is to eliminate unsafe conditions at service stations and change behavior that could have a negative impact on personnel. It promotes safe service stations that protect the environment and guarantee quality and standardized metering. We take these four steps: 1. Identification of risks and controls, 2. Education and training, 3. Emergency response, and 4. Investigation of accidents. The program includes regular verification of best operating practices through inspection visits. It covers workers at the Terpel-owned and affiliated service stations and Altoque stores, ensuring compliance with the best standards for safety, for the environment, and for product quality across our entire network.

The *Reliable Service Stations* program identifies risks, applies controls, and educates and trains workers in favor of safe service stations that protect the environment and guarantee quality and standardized metering, all under the highest standards for safety, the environment, and product quality.

2,258

People trained

1,626

Service stations involved in the program

349

Service stations visited

92

Affiliated stations visited

589

Total visits

3,491

Findings


(79% at affiliated stations and 21% at Terpel-owned stations)

1,274

Findings closed out

(98% at affiliated stations and 2% at Terpel-owned stations)



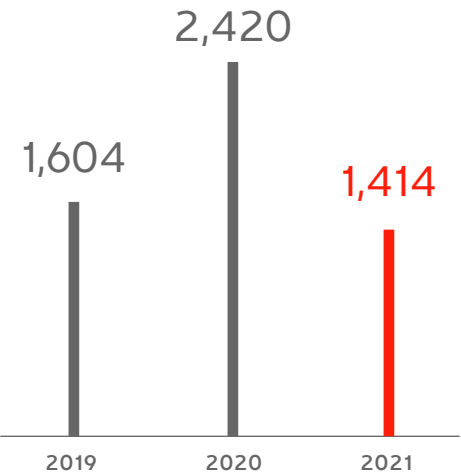
A photograph of two men shaking hands in front of a white Terpel truck. The man on the left is wearing a plaid shirt and a cap, while the man on the right is wearing a Terpel uniform and a cap. The background shows a building with the Terpel logo. The entire image is overlaid with a semi-transparent red filter.

We strengthen relations with our suppliers, distributors, and other allies through policies and measures that promote responsible behavior toward society and the environment, and we identify and mitigate risks generated by the operation.

Our goal is to leverage supply chain management in such a way as to make it sustainable and turn it into a competitive advantage that allows us to generate greater value.

We therefore work constantly to implement improvement mechanisms through evaluations, engagement, and processes that generate trust and a long-term, win-win relationship with our suppliers.

Total Suppliers



DURING 2021 WE MADE PURCHASES FROM 1,414 SUPPLIERS IN A TOTAL AMOUNT OF COP \$14,603,906,591,007.2


We registered 146 new suppliers in 2021, which were evaluated using the environmental criteria in the corporate guidelines and other sustainable development practices. In the supplier selection process, the company assigns a weight of 5% to environmental practices.

All our suppliers receive a manual with our policies. The manual establishes guidelines for health, safety, the environment, and quality (HSEQ), guidelines for doing the work contracted, and the technical conditions of the services contracted. It includes instructions for protecting human health, minimizing environmental impacts, and preventing work-related accidents and occupational illness for everyone who works with Terpel. All workers are familiar with the Code of Conduct and sign a written consent form stating their commitment to strict compliance.

In 2021, we prioritized four areas in our work with suppliers: occupational health and safety, benefits, SARLAFT and information protection, and business ethics.

We have classified our suppliers according to their criticality (high, medium, or low). Critical suppliers are suppliers who have a high impact on the operation and generate purchases of more than COP\$1,000 MM. In 2021, we had 140 highly critical suppliers, representing 61% of the total. We also identified that, for 64 of them, we are an important customer, representing 30% of their annual invoicing.

Criticality of Suppliers

		2020		2021	
		# of Suppliers	Percentaje %	# of Suppliers	Percentaje %
	High Criticality	113	8,3%	140	9.9%
	Medium Criticality	532	39%	803	58.8%
	Low Criticality	716	52.6%	471	33.3%
	Total	1,361	100%	1,414	100%

AMONG THE CRITICAL SUPPLIERS EVALUATED, ONE SUPPLIER (0.69%) HAS DEVELOPED AN ACTION PLAN AND HAS IMPROVED ITS PERFORMANCE.

LOCAL PURCHASES


We are committed to strengthening skills in different regions by involving local suppliers in our supply chain. We give priority to hiring local labor and promote this same practice on the part of our contractors, and we also promote the development of SMEs across Colombia.

99% OF OUR SUPPLIERS ARE LOCAL, 1,394 OF THE SUPPLIERS IN OUR DATABASE.

Type of supplier

	Number	Percentage of total suppliers	Annual value of purchases (millions of pesos)	Percentage of total purchases
Local suppliers	1,394	99%	\$ 14,190,608	97%
International suppliers	20	1,4%	\$ 413,298	2.8%
SME suppliers	1,227	87%	\$ 566,371	3.8%
Critical suppliers	140	10%	\$ 14,164,612	97%

Purchases from domestic suppliers

		Value of purchases (millions of pesos)	% of total purchases
	Purchases of supplies and services	\$ 386,176	2.7%
	Purchases in civil works	\$ 59,273	0.4%
	Purchases of liquid fuels and biofuels	\$ 13,120,105	92.5%
	Purchases of natural gas	\$ 242,548	1.7%
	Purchases of base oils and additives	\$ 12,984	0.1%
	Purchases of transportation	\$ 313,325	2.2%
	Purchases of inputs	\$ 56,198	0.4%
Total		\$ 14,190,609	100%

SUPPLIER EVALUATION

We use supplier evaluations as a tool for continuous improvement that has proved to be of great value in our engagement with suppliers.

The evaluation criteria are the quality of the service or the good, delivery time, post-sales service, and health, safety, the environment, and quality (HSEQ).

We give HSEQ and the environment a weight of 20% in the overall evaluation of suppliers.

The rigorous evaluation process allows us to make a diagnosis, identify opportunities for improvement, design action plans, follow up on supplier operations, and recognize their achievements.

In 2021, we evaluated 428 suppliers in accordance with sustainability criteria. Of that total, 134 were evaluated for the first time.

Suppliers evaluated

	2020		2021	
	# of suppliers evaluated ⁴⁶	% of suppliers evaluated in the category	# of suppliers evaluated	% of suppliers evaluated in the category
Environmental	32	6.3%	30	7%
Uniform supply	1	0.2%	1	0.2%
Maintenance	98	19.5%	77	18%
Marketing	19	3.7%	21	3.9%
Civil works	30	5.9%	14	3.3%
HSEQ	12	2.4%	20	4.7%
Fuel transportation	34	61.6%	49	11.4%
Inputs	8	1.6	10	2.3%
Goods and services	264	52.7%	203	47.4%
Base oils and additives	1	0.2%	2	0.5%
Supply	N/A	N/A	1	0.2%
Natural Gas	1	0.2%	N/A	N/A


TRANSPORTATION SUPPLIERS

Ecopetrol provides us fuel via pipeline, which arrives at Terpel-owned or jointly-owned plants. From there it is distributed via transportation suppliers to airports and plants that aren't connected to the system. Subsequently, the fuel is distributed by our business lines (Industry, affiliated and Terpel-owned service stations, marine fuels, and aviation fuels).

We also transport products coming from our biodiesel and additive suppliers. In 2021, we worked with 38 transportation providers.

OUR TRANSPORTATION SUPPLIERS MOVED 1,344 TRILLION⁴⁷ GALLONS OF FUEL IN COLOMBIA IN 2021.

46. The report in 2020 did not include the categories of goods and services, base oils and additives, natural gas, and inputs, so the information has been adjusted to make it comparable.
47. This includes only Terpel-contracted transportation and does not include the volume transported by customers who use their own vehicles.

A photograph of two young girls in school uniforms, one pointing at a book with various illustrations of Peruvian culture, including food, animals, and people. The image is overlaid with a semi-transparent red circle and a semi-transparent white circle. The text is white and positioned over the red circle.

We contribute to the progress and well-being of the communities where we operate through a variety of programs and actions that enhance their skills.

We work with governments, local stakeholders, and beneficiaries to maximize the impact of our programs and guarantee their sustainability.

AS A COUNTRY PARTNER, WE INVESTED MORE THAN SIX BILLION PESOS IN PROGRAMS, SOCIAL INVOLVEMENT, AND DONATIONS IN 2021.

We act as a Country Partner when we work in favor of reconciliation and peace-building.

RESTORING DREAMS PROGRAM

We are committed to building a Colombia with more equality and deeper reconciliation. Through Restoring Dreams, we give a second chance to former inmates, victims of armed conflict, and former combatants who are in the process of reintegration and reincorporation into civil society. We do this by creating jobs and strengthening productive capacities.

Restoring Dreams is the umbrella program for all the reconciliation and peace-building initiatives on our four action fronts:

- **Productive projects:** Working with the World Women's Corporation, we developed a training program for former combatants involved with the ARN. The training gives them the knowledge

they need to implement productive projects, structure a business, and use administrative tools to guarantee the sustainability of their projects. So far, we have supported 20 businesses related to food products, clothing manufacturing, and vehicle maintenance and repair, among other sectors.

- **Employability:** We are committed to job creation and new opportunities for vulnerable population groups. Over the last six years, we have hired more than 200 people at our Altoque stores and service stations who are former combatants, victims of armed conflict, or former inmates.
- **Suppliers:** We work to include local businesses in our value chain through Sustainable Display Cases at our Altoque stores, where small producers from Colombia can showcase their products.
- **Reconciliation fairs:** We facilitate arenas for entrepreneurs who have been reintegrated or are victims of the armed conflict to present and sell their goods and services.

SINCE THE START OF THE PROGRAM WE HAVE SUPPORTED MORE THAN 20 PRODUCTIVE PROJECTS AND ENTERPRISES OF FORMER COMBATANTS ACROSS THE NATION. DURING 2021 WE SUPPORTED SIX NEW PROJECTS WITH AN INVESTMENT OF COP \$60 MILLION.

We act as a Country Partner when we foment the growth and well-being of the places and communities where we operate.

Productive projects in operational settings

As part of our commitment as a Country Partner, we develop projects and initiatives that will improve the quality of life of the communities near our operations.

In the year 2020, we developed the first phase of our Program for Social Investment in Operational Settings at the Neiva supply plant with the people living in El Venado. Together with the community, we implemented three projects there, with an investment of more than COP \$182 million, to generate new income-earning opportunities for them.

IN 2021, WE BEGAN THE SECOND PHASE FOCUSED ON COMMUNITIES NEAR OUR SEBASTOPOL SUPPLY PLANT IN PUERTO OLAYA, IN THE DEPARTMENT OF SANTANDER.

COMMUNICATION WITH OUR COMMUNITIES

We maintain open lines of communication with our communities, so we can be aware of their expectations and their perceptions of our operations.

Through our channel for attention to the public, we received 13 requests from mayors and communities in relation to hiring local labor, supply issues, and requests for donations.

We answered all of these requests through direct communications or meetings to share information, and through social contributions to the communities.

We act as a Country Partner when we help improve educational infrastructure.

VOLUNTEERISM



- We installed 36 hand sanitation points at 18 schools.



- We brought benefits to more than 19,000 students, in particular in two ethnic communities: the Wayúú (Riohacha) and the Inga (Putumayo).



- We delivered restroom facilities to seven schools.

We act as a Country Partner when we promote good reading habits in the children of our country.

STORIES ON DEMAND

- 62 volunteers
- 2 reading campaigns
- 124 hours donated
- More than 60 children benefited
- 2 countries: Colombia and Peru

We act as a Country Partner when we contribute to the communities with the most urgent and critical needs across Colombia.

DONATIONS

- We delivered more than 80 million pesos in fuel to institutions such as the Colombian Red Cross and the Food Bank of Colombia - ABACO to be able to transport medicine, provide medical attention, and mobilize food products, especially during the period of social demonstrations that affected the nation.
- Aware of the important role of medical personnel in the country's hospitals, we delivered more than 70 million pesos in snacks as an expression of gratitude for their dedication during the COVID-19 health crisis.
- We continued to keep the Colombian Civil Air Patrol - PAC on the move with a donation of 100% of the fuel they needed for their medical and surgical campaigns in the most remote regions of the country.

- 99% of our fuel donations have a national scope (Colombian Red Cross and the Colombian Civil Air Patrol - PAC).
- We delivered more than 280 million pesos to support social organizations, schools, and government programs and institutions.
- We made donations to foundations and social organizations dedicated to supporting health needs in regions with vulnerable communities. In 2021, our investment in healthcare totaled more than 318 million pesos.

Colombian Civil Air Patrol (PAC):

By donating fuel, Terpel has fulfilled the dream of voluntary physicians and pilots of transforming the health and the lives of vulnerable population groups in hard-to-reach areas. We take healthcare to the country's most remote regions.

Social investment 2021

Item	Amount
Education	\$5,492,541,251
Healthcare	\$315,930,000
Food	\$122,849,354
Reconciliation and peace-building	\$88,956,883
Housing / infrastructure	\$264,000,000
Community development	\$124,500,000
Social contributions	\$18,000,000
Total	\$6,426,777,488

TERPEL FOUNDATION - "EDUCATING TO TRANSFORM LIVES"

The Terpel Foundation helps build a better future for Colombia. We are convinced that strengthening the quality of education can help us narrow social gaps and create a more equitable and competitive country that is better educated, raising up a new generation of leaders.

We have implemented five high-impact programs that develop basic skills in mathematics, language, and leadership for vulnerable children and teens in different regions of the country.

For the last 17 years we have consolidated our position as a Country Partner, improving the quality of education and benefiting more than 1 million people.

**OUR PROGRAMS AIM TO HAVE A
SIGNIFICANT SOCIAL IMPACT ON
COMMUNITIES THROUGH SOCIAL
INCLUSION, INNOVATION AND
INSTITUTIONAL STRENGTHENING.**

OUR WORK IN 2021



IN 2021, OUR INVESTMENT IN TERPEL FOUNDATION PROGRAMS WAS COP \$5,752,541,251⁴⁸.

FOUNDATION PROGRAMS:

Design for Change: Through this social innovation initiative, projects with school children allow them to express their own ideas, put them into practice, and have an impact on their surroundings.

In 2021, across the nation there were 103 projects enrolled that developed different skills in students, such as teamwork, empathy, and critical thinking. We also designed and started up a new microsite where those interested can learn about the program and its methodology, and respond to an invitation to participate.

Design for Change

Work in 2021	
Investment in the program	\$ 400,065,090
Students involved	66,349
Teachers participating in the program	700
Projects implemented	103
Student leaders	3,342

Schools that Learn®: This comprehensive strategy strengthens administrative, academic, teaching, and community aspects at schools, with a positive impact on education.

In 2021, we strengthened the program's community of practice. We organized teachers' meetings to share reflections, successful experiences, significant lessons learned, and opportunities for improvement in their action plans. These consolidated teams of teachers will ensure installed capacity at the schools.

Schools that Learn

Gestión 2021	
Investment in the program	\$1,240,529,823
Teachers trained	1,520
Students benefited	51,006
Parents trained	356
Principals trained	48
Officials from Secretaries of Education trained	103
Schools involved	43
Secretaries of Education involved	4

48. This amount includes a surplus from 2020 of \$ 604,557,388

Leader in Me: This initiative's leadership model is based on Franklin Covey's seven habits of effective management. The program produced benefits for more than 119,000 students in 16 schools in 2021.

We trained 904 teachers and 76 principles in social, emotional, and leadership competencies, enabling them to offer comprehensive education to the students.

Leader in Me

	Work in 2021
Investment in the program	\$ 834,756,257
Students benefited	119,272
Principals trained	76
Teachers trained	904
Schools involved	67
Secretaries of Education involved	6
Percentage of teachers practicing the 7 leadership habits	86%
Percentage of students practicing the 7 leadership habits	82%

Adventure with Letters: The objective of this program is to provide libraries for public schools and organize activities to help motivate students to read. During the year 2021, we concluded accompaniment for the program in the cities of Cartagena and Leticia, consolidating the reading, writing, and speaking plan (PILEO for the Spanish), and leaving installed capacity that will empower reading habits and reading competencies for students.

Adventure with Letters

	Work in 2021
Investment in the program	\$ 933,260,939
Students benefited	9,669
Principals involved	8
Teachers involved	495
Schools involved	6
Secretaries of Education benefited	6
Volunteers involved	91
Libraries delivered	2

My Future Now: This initiative supports technical, technological, and technical-vocational education for our service station promoters and Altoque hosts, and their children, by financing 80% of the total cost of their education and providing psychosocial accompaniment to the beneficiaries until their graduation.

During 2021, we participated in the "Promotion without Limits" tour through the seven regional offices, organized by the marketing department's PITS program. We were thus able to explain the benefits of this program to more than 1,800 service station promoters and Altoque hosts.

In 2021, we defined a strategy for reaching the most remote and vulnerable areas of the country. The Interactive Classrooms program provides an innovative solution that integrates education, infrastructure, and energy.

The classrooms were equipped with resources such as content, tablets, augmented reality glasses, and other electronic devices the students can use to develop and strengthen their basic and technological competencies.

This will give teachers and students new opportunities for teaching and learning. Our investment in this program was COP \$ 305,164,778.

Terpel employees accompanied the students to strengthen the mentoring process.

In conjunction with the Human Resources Department, we made it possible for those graduating from the program to apply for jobs at Terpel or do an apprenticeship with us.

My Future Now

	Work in 2021
Investment in the program	\$431,946,287
Students involved	466
Students from affiliated service stations involved	174
Students from Terpel-owned service stations involved	292
Municipalities benefited	96
New students involved	58
Students graduated	238





The growth and excellent performance of our businesses in Ecuador, Panama, Peru, and the Dominican Republic drove the company's development during 2021 and our consolidation as a multi-Latin company. We made progress fine-tuning our sales strategy focused on offering the best service, a renovated infrastructure, and the most competitive price in the market, while always respecting the culture and the consumption habits of the customers in each country.

In our international operation, we have implemented different support processes for the service areas, tailored to each operation, allowing us to align ourselves with market dynamics and consumer needs. We have risen to the challenge of being an innovative and flexible company that shares its best practices and lessons learned.

TERPEL PANAMÁ

We develop six lines of business in Panama: liquid fuel service stations, industry fuel, aviation fuel, marine fuel, lubricants, and convenience services.

In 2021, our total volume sold was 253,000,000 gallons, with an EBITDA of US\$60.9⁴⁹ million and net earnings of US\$23.3⁵⁰ million.

In confirmation of our commitment to be the best partner on the road and with the push toward new forms of mobility,

in 2021 we inaugurated Terpel Voltex, the first network of fast charging stations in Panama. We are the first subsidiary in the group to implement Voltex.

Under an innovative concept, in December we inaugurated our first Voltex electric charging station at the Coronado Travel Center station (Province of Panama Oeste), and we later expanded to the city of Santiago (Province of Veraguas) and Antón (Province of Coclé). Voltex will continue to expand strategically throughout Panama in 2022, offering new memorable experiences and solutions for powering electric vehicles.

WE CREATE AND DISTRIBUTE VALUE

VALUE CREATION AND DISTRIBUTION

2021
(Figures in millions of dollars)⁵¹

Economic value generated (EVG) ⁵²	717.2
Economic value distributed (EVD) ⁵³	686
Operating costs ⁵⁴	51.4
Payments to suppliers ⁵⁵	603.8
Employee salaries and benefits	20.4
Payments to governments ⁵⁶	10.3
Investment in the community	0.053
Economic value retained (EVR)(EVG-EVD=EVR) ⁵⁷	31.1

DURING 2021 WE MADE PURCHASES FROM 1,838 SUPPLIERS FOR A TOTAL AMOUNT OF US\$71,699,453.

49. With IFRS effects.
50. Net accounting income.
51. Corresponds to the information reported in the financial statements (P&L).
52. Corresponds to the company's income.
53. Includes payments to suppliers, employee salaries and benefits, payments to the government, and community benefits.
54. Includes fees, insurance, rent, services, marketing, maintenance, travel, depreciation, and amortization.
55. Includes all cost accounts.
56. Corresponds to P&L tax expenses excluding deferred taxes.
57. Corresponds to company income less distributions. It is the economic value generated less the economic value distributed.

OUR BUSINESS LINES



Service stations

161
Liquid fuel service stations
(125 Terpel-owned and 36 affiliates)

38.3%
Market share

Sales Volume
192.6
million gallons

28%
growth in sales



Aviation fuel

3⁵⁸
airports served, 2 of them not in operation

3.6%
Market share

Sales Volume
4.1
million gallons

2.0%
growth in sales



Marine fuels

14
Ports served

1
marine terminal served (lubricants)

8.9
million gallons sold

20%
growth in sales



Industry fuels

152
industry customers

21.36%
market share

Sales Volume
46.5
million gallons

6.6%
Growth in sales over 2020

58. We also have 2 airports not in operation that can start up in response to demand.



Lubricants

1,280
Points of sale for lubricants

Sales Volume
589,759
gallons

28%
growth in sales



Convenience services

47
Va&Ven Stores

78
Refreshment kiosks

7
Carwashes
(6 Wash 'n go and 1 Ziclos)

Confirming that innovation is in our DNA, in 2021 we implemented *Pago Flash*, an automated fuel dispatch system. Consumers at service stations can select the pump, the type of fuel, and the amount to pay, and also upload their Friend Terpel points.

As part of our ongoing endeavor to provide memorable experiences, in 2021 we launched *Ciclistar*. It's a unique service in the service station segment in Panama, where bike riders can maintain their bikes for free and, at the same time, refuel their bodies in our Va&Ven convenience store.

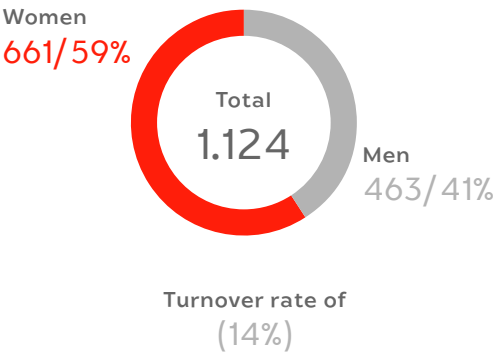
WE PROVIDED 5,671 HOURS OF EDUCATION AND TRAINING TO 820 OF OUR EMPLOYEES, WITH AN INVESTMENT OF US\$267,483.64.

Our highest reward is our team's well-being. For that reason, in 2021, we implemented the Super T program to reward the outstanding results of individuals and teams in the categories of leadership, performance, and services.

We also provided training for the team in topics such as leadership, mental health, decision-making, and resilience, with the participation of 310 employees in the workshops.

In addition, 100% of the Terpel team accessed the Podcast Nuestra Gente platform, which provides important information and the monthly news most relevant to the organization and employees.

TERPEL PANAMÁ TEAM



ENVIRONMENTAL
MANAGEMENT AND
SOCIAL INVESTMENT



Total energy consumption:
6,039,720
Jules



Water consumption:
1,313.98
mega liters, obtained from
the public water supply



Waste products:
105.58
tons managed by
authorized agents



Environmental investment
expenses:
203,031.43
dollars



Carbon footprint:
8,283,446.1
tons of CO₂eq

THROUGH THE RECICLAT ENVIRONMENTAL SUSTAINABILITY PROGRAM, DURING 2021 WE EMITTED SEVEN TONS FEWER OF CO2 INTO THE ATMOSPHERE, AND SAVED 113 M3 OF WATER AND MORE THAN 93 THOUSAND KW OF ENERGY IN OUR HOWARD AND ALESSANDRIA TERPEL SERVICE STATIONS.

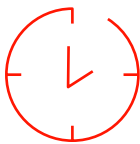
WE MADE PROGRESS WITH PROPER DISPOSAL OF 10 TONS OF PRODUCTS SUCH AS CANS, PLASTIC BOTTLES, CARDBOARD, PAPER, HOUSEHOLD APPLIANCES, TETRAPAK BOXES, AND HOUSEHOLD AND CAR BATTERIES.

TERPEL VOLUNTEERS:
AT THE SERVICE OF PANAMA



21%

of our employees volunteer



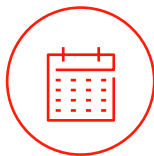
7,269

hours of volunteering



2,053

beneficiaries



10

volunteer days

Through the ConectaT Virtual Volunteer Program, in partnership with the Panamanian Red Cross, we provided solutions for emotional support for 46 senior citizens at the Hogar Adulto Mayor. Thanks to this initiative, the Company was recognized as a business that promotes the emotional health of both its employees and the community.

In 2021, we created the Terpel Panama Foundation, making us the first regional operation outside of Colombia to form a foundation.

Reaffirming our commitment to be a Country Partner, we decided to create the Terpel Panama Foundation to strengthen the quality of education and promote innovative and sustainable socioeconomic and environmental initiatives. Its efforts will contribute to the country's development and progress, because education is the fuel that moves Panama.

AWARDS

- Terpel Panama was recognized as one of the 30 companies demonstrating the greatest social commitment in Panama during the pandemic by the Corporate Reputation Business Monitor MERCO.
- The American Chamber of Commerce and Industry in Panama - AmCham recognized the company for its implementation of *Alimentando Esperanzas*, one of the most important business resilience programs during the pandemic.
- Panama's Ministry of Social Development presented the **Bicentennial Volunteers** award to Terpel's team of office and service station volunteers for their extraordinary dedication to service both before and during the pandemic.
- Leaving no child behind, for the third consecutive year we won the Lazo Dorado Award, taking first place in the Relay for Life Panama 2021, in support of the children at the Fundación Amigos del Niño con Leucemia y Cáncer. Employing a hybrid format for participation (virtual combined with in-person), as a team, we ran more than 74,000 kilometers, enough to circle the planet almost twice.

OUR SOCIAL INVESTMENT IN 2021 WAS US\$30,237.

TERPEL PERU

Our operation in Peru includes seven lines of business: liquid fuel service stations, industry fuel, CNG sales under the Gazel brand, LPG, convenience stores, aviation fuel, and lubricants.

In 2021, our total sales volume was 68⁵⁹ million gallons, with an EBITDA of US\$24⁶⁰ million, and net earnings of US\$10.7⁶¹ million.

WE CREATE AND DISTRIBUTE VALUE

VALUE CREATION AND DISTRIBUTION

2021
(Figures in millions of dollars)⁶²

Economic value generated (EVG) ⁶³	264
Economic value distributed (EVD) ⁶⁴	277.4
Operating costs ⁶⁵	51.6
Payments to suppliers ⁶⁶	204.6
Employee salaries and benefits	13.1
Payments to governments ⁶⁷	8
Investment in the community	0.002
Economic value retained (EVR) (EVG-EVD=EVR)	-13.4

DURING 2021 WE MADE PURCHASES FROM 1,696 SUPPLIERS FOR A TOTAL AMOUNT OF US\$243,714,682.

59. Includes lubricant exports to Ecuador.

60. With IFRS effects.

61. Net accounting income.

62. Corresponds to the information reported in the financial statements (P&L).

63. Corresponds to the company's income.

64. Includes payments to suppliers, employee salaries and benefits, payments to the government, and community benefits.

65. Includes fees, insurance, rent, services, marketing, maintenance, travel, depreciation, and amortization.

66. Includes all cost accounts.

67. Corresponds to P&L tax expenses excluding deferred taxes.

OUR BUSINESS LINES



Service stations

25
Liquid fuel service stations
9 Terpel-owned, 16 affiliates

1.57%
Market share

Sales Volume
12.4
million gallons

49.8%
growth in sales



Aviation fuel

1
airport served

5.66%
Market share

Sales Volume
9.9
million gallons

73%
growth in sales



CNG/LPG⁶⁶

36
CNG

25
LPG

Sales Volume
18.1
million gallons CNG

7.1
million gallons LPG

5.49%
growth in sales CNG

22%
growth in sales LPG



Lubricants

8,824
points of sale

32%
Market share

Sales Volume
20.1
million gallons

34.9%
growth in sales

66. Note: Not all are separate stations; there are stations that provide both fuels.



Industry

18
customers

Sales Volume
601,000
gallons

20%
growth in sales



Convenience stores

12
9 Alto stores, 3 Yünta stores

WE COMPLEMENTED IMPLEMENTATION OF THE COMPLIANCE SYSTEM BEGUN IN 2020, ESTABLISHING THE REQUIRED ACTION PLANS AND ENSURING PROPER COMPLIANCE.

We achieved a record figure for sales of liquid fuels in 2021, representing growth of close to 50% over 2020.

We were also able to increase our share of the lubricants market by 14 percentage points in the direct automotive lubricants segment, moving from 30% to 44%. This growth was driven by the incorporation of new car brands such as Hyundai, Volvo, Mahindra, Brilliance, BAIC, Jinbei, and JMC in our portfolio of automotive customers.

We implemented an innovative distribution model, and opened a Perlube in the city of Lima to serve the maintenance shops and spare parts segment. This model will allow new distributors to enter different regions of the country.

In lubricants for the industrial sector, we maintained our leadership with a share of close to 50%. This was based on providing protection for customers in strategic segments such as mining and construction, in addition to strengthening our relationship with equipment manufacturers (CAT), and growing in new segments, such as marine, transportation, and fishing.

Through our Smartlab and Servicios Planeados de Ingeniería (SPI) in-house services, we were able to fulfill our value proposition for customers.

We operated the lubricants plant under strict regulations for safety, quality, and environmental protection, in accordance with the international standards ISO 9001, ISO 14001 and ISO 45001. In the year 2021, we initiated a digital transformation and a move to Industry 4.0 supervision systems. We took the first step in the area of measuring our carbon footprint by joining the program run by the Ministry of the Environment. And we maintained our record in 2021 of zero lost-time incidents.

The Colombian Business Council (CEC) gave Terpel an award as the sector's company with the best sustainable performance, in recognition of the excellent environmental practices at the Callao lubricants plant.

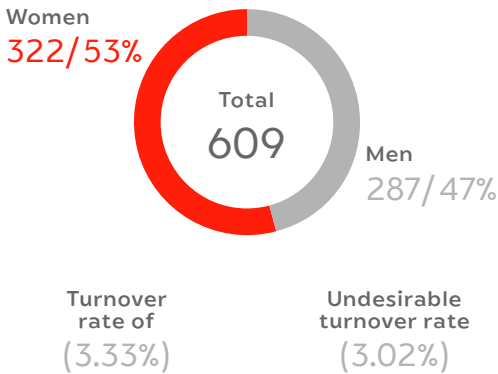
In the Aviation business, we were able to return to pre-pandemic volumes thanks to new deals with Latam Airlines, Air Canada and Spirit, and renewed agreements with Copa Airlines and Atlas Inc.

We extended the contract for operations - fuel receipt, storage, and dispatch - at the Jorge Chávez International Airport through October 2024. We were awarded the *Segunda Estrella* (Second Star) award in the Carbon Footprint Peru program promoted by the Ministry of the Environment.

We continued with our strategy to expand our offer of liquid fuels, inaugurating the first service station with the iconic Terpel image - along with its convenience store, the first one with the new Yünta brand - which has far exceeded sales expectations.

This move is in line with the change of image and of concept under which Terpel, as a Country Partner, has set out to celebrate Peruvian culture by incorporating national flavors and exhibiting products from local entrepreneurs.

TERPEL PERU TEAM



In 2021 we established several programs related to human talent management. We conducted the first 360° leadership measurement of Top & Middle Management and obtained an 83% favorability rating in the Organizational Climate survey.

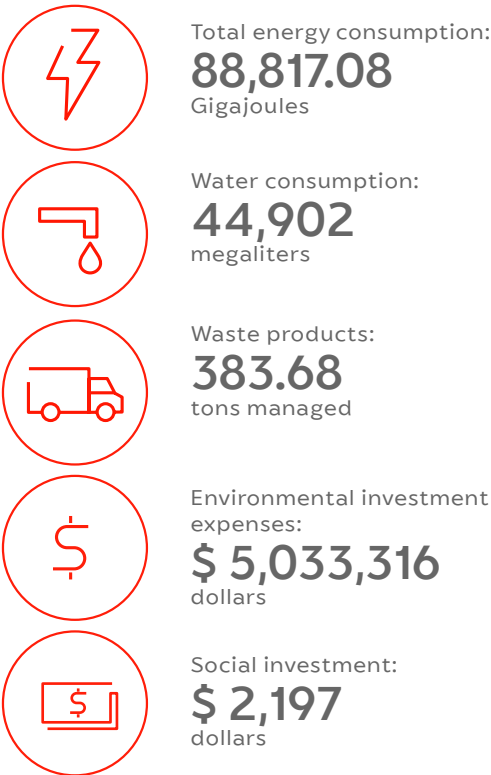
We implemented the Diversity, Inclusion and Gender Equity policy, confirming our commitment to plurality, equality, and respect, and to having diverse teams that enrich the company's work.

WE PROVIDED 9,196 HOURS OF EDUCATION AND TRAINING WITH AN INVESTMENT OF US\$106,701.

We relaunched the SuperT program that recognizes our employees' hard work and achievements. And with their well-being in mind, we implemented Teleapoyo, a hotline for employees and their families to easily access free legal, psychological and nutritional counseling.

We implemented the protocol for returning to in-person work at the new administrative offices. They are now located in a single, larger, and more modern corporate building that houses both the administrative and business areas. The voluntary return program got started under a hybrid arrangement, including both online and in-person work formats. We keep employees safe in offices with a flexible layout that meet post-COVID health and safety standards, designed with social distancing in mind, to take care of our team.

ENVIRONMENTAL MANAGEMENT AND SOCIAL INVESTMENT



TERPEL ECUADOR

We have four business lines in Ecuador: liquid fuel service stations, industry fuel, lubricants, and convenience services.

In 2021, our total sales volume was 332.9 million gallons. Our EBITDA was US\$9⁶⁷ million and our net earnings were US\$0.9⁶⁸ million.

WE CREATE AND DISTRIBUTE VALUE

VALUE CREATION AND DISTRIBUTION		2021 (Figures in millions of dollars) ⁷⁰
Economic value generated (EVG) ⁷¹		552
Economic value distributed (EVD) ⁷²		540.4
Operating costs ⁷³		13.1
Payments to suppliers ⁷⁴		518.7
Employee salaries and benefits		6.6
Payments to governments ⁷⁵		2
Investment in the community		0.002
Economic value retained (EVR)(EVG-EVD=EVR) ⁷⁶		11.7

DURING 2021 WE MADE PURCHASES IN THE AMOUNT OF US\$540,475,013 FROM 906 SUPPLIERS.

67. With IFRS effects.
68. Net accounting income.
69. Corresponds to the information reported in the financial statements (P&L).
70. Corresponds to the company's income.
71. Corresponds to the company's income.
72. Includes payments to suppliers, employee salaries and benefits, payments to the government, and community benefits.
73. Includes fees, insurance, rent, services, marketing, maintenance, travel, depreciation, and amortization.
74. Corresponds to costs.
75. Corresponds to P&L tax expenses excluding deferred taxes.
76. Corresponds to company income less distributions. It is the economic value generated less the economic value distributed.

OUR BUSINESS LINES



Service stations

111
Liquid fuel service stations
23⁷⁷ Terpel-owned, 88 affiliates

10.6%
Market share

Sales Volume
225
million gallons

20%
Sales Volume



Industry

150
customers

21.2%
Market share

Sales Volume
104
million gallons

14%
Sales Volume



Lubricants

5,115
points of sale

11.7%
Market share

Sales Volume
3.18
million gallons

90%
Growth



Convenience stores

12
Altoque stores

Sales of
1.9
million dollars

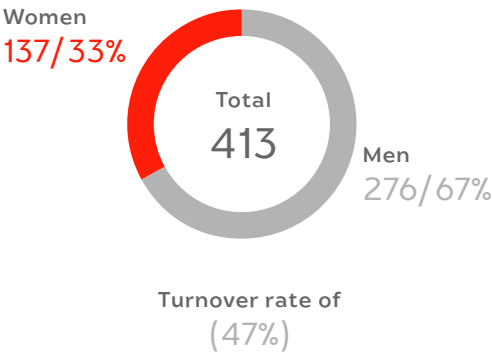
73%
Growth over 2020

77. 19 EDS propias.

- During 2021 we increased the size of the Terpel-owned operation to a total of 23 service stations and 12 convenience stores.
- We held our first brand-positioning campaign on the occasion of the 15th anniversary of our operations in the country and the launch of Terpel's Evol-T Super Additivated gasoline.
- We made significant progress in the change in look, going from 26 to 43 service stations with the retrofit image, in addition to opening five iconic service stations.
- We implemented the My Terpel Network fleet program, designed to control and manage the fuel consumption of corporate fleets. My Terpel Network members can use our network of service stations throughout the country, receive consolidated billing for their consumption, and customize reporting in accordance with their needs. This helps monitor transactions, guaranteeing integrity.
- In lubricants, we implemented the Mobil Giants incentive program to build loyalty and boost sales in the distributor segment. Likewise, we were able to place Mobil brand signage on 1,850 stores. In addition, we trained three new B2C distributors to achieve better coverage on the coastline, thus consolidating our network and closing out the year 2021 with seven distributors.
- We achieved record sales for lubricants – 75 KBBL⁷⁸ – almost double the volume for 2020. We transformed the national distribution center in Guayaquil and successfully inaugurated our new lubricants laboratory.
- For industrial customers, we relaunched our value proposition by expanding our services, strengthening training, making technical inspections, enhancing the partnership with Mobil lubricants, and promoting the My Terpel Network fleet program.
- In record time, we obtained authorization to export fuel and LPG to Colombia through Ecopetrol to guarantee demand was met in the southern area of the neighboring country when it was affected by protests.
- We obtained approval for the first electric charging station in the Las Americas service station in Guayaquil, which will be inaugurated during the first quarter of 2022.
- We redefined our value proposition for convenience stores, under the Altoque brand.

78. Thousands of barrels.

TERPEL ECUADOR TEAM



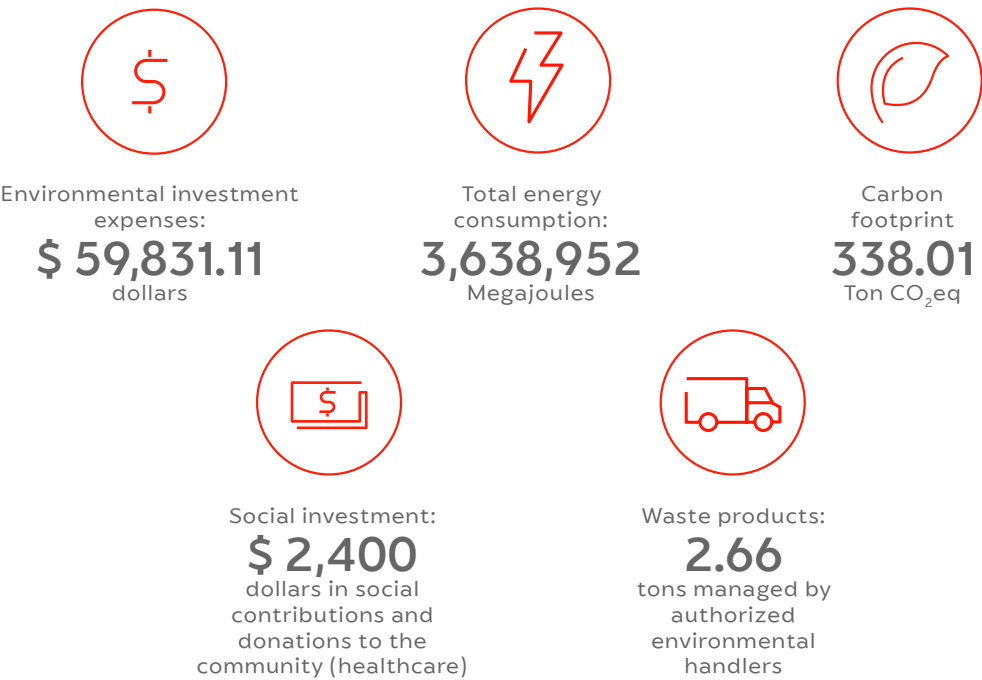
We conducted a performance review calibration for administrative personnel with the results of performance evaluations, allowing us to identify outstanding people and classify them as key human resources. We used the information to develop career and retention plans.

WE PROVIDED 394 HOURS OF EDUCATION AND TRAINING WITH AN INVESTMENT OF US\$2,600.

We did the Great Place to Work survey on the working environment, with 95% of the team participating. We received a score of 83% for job satisfaction. Those surveyed highlighted positive factors such as good relationships with coworkers, inclusion, fairness, pride, and a sense of belonging.

Employees who filled out the satisfaction survey	404
Percentage of employees participating in the satisfaction survey	95%
Men participating in the satisfaction survey	254
Women participating in the satisfaction survey	150
Employee satisfaction	83%
Men satisfied	84%
Women satisfied	83%

ENVIRONMENTAL MANAGEMENT AND SOCIAL INVESTMENT



TERPEL DOMINICAN REPUBLIC

Our operation in the Dominican Republic concentrates on the storage, distribution, and sale of aviation fuels.

In 2021, our total sales volume was 50.35 million gallons, with an EBITDA of US\$5.3⁷⁹ million, and net earnings of US\$3.6 million.

WE CREATE AND DISTRIBUTE VALUE

VALUE CREATION AND DISTRIBUTION	2021
Economic value generated (EVG) ⁸⁰	142.3
Economic value distributed (EVD) ⁸¹	138.6
Operating costs ⁸²	12.2
Payments to suppliers ⁸³	123.6
Employee salaries and benefits	1.6
Payments to governments ⁸⁴	1.3
Investment in the community	0.01
Economic value retained (EVR)(EVG-EVD=EVR) ⁸⁵	3.7

DURING 2021 WE MADE PURCHASES IN THE AMOUNT OF US\$138,347,006.85 FROM 125 SUPPLIERS

79. With IFRS effects.
80. Corresponds to the information reported in the financial statements (P&L).
81. Corresponds to the company's income.
82. Includes payments to suppliers, employee salaries and benefits, payments to the government, and community benefits.
83. Includes fees, insurance, rent, services, marketing, maintenance, travel, depreciation, and amortization.
84. Corresponds to costs.
85. Corresponds to P&L tax expenses excluding deferred taxes.

OUR BUSINESS LINES



Aviation fuels

5
airports operated

36.4%
Market share

Sales Volume
46.84
million gallons

84.7%
growth in sales



Industry

10
customers served during the
first half of the year

Sales Volume
3.51
million gallons

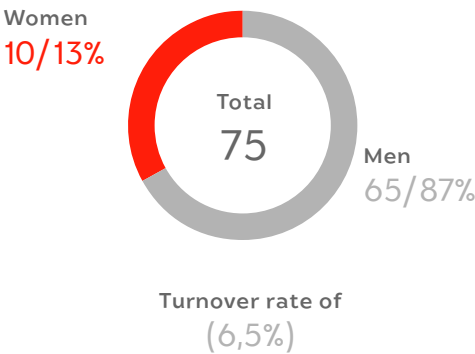
-52%
decline in sales

WE CELEBRATED 10 YEARS
IN OPERATION

- In 2021, we recovered 86% of the volume sold in the year 2019 in the aviation business. As a result, we exceeded our pre-pandemic sales volumes during the second half of the year.
- Thanks to negotiations with a local refinery, we obtained an incentive for the purchase of JET A-1, representing an additional margin of close to US\$1 MM for the year 2022.

We strengthened the online format of the Terpel Aviation Fuel School, and graduated 10 participants.

TERPEL TEAM
DOMINICAN REPUBLIC



**WE PROVIDED 7,794 HOURS OF
EDUCATION AND TRAINING WITH
AN INVESTMENT OF US\$9,884.**

ENVIRONMENTAL
MANAGEMENT AND SOCIAL
INVESTMENT



Total energy consumption:
882,924.85
Gigajoules

With the goal of reducing the impact of our waste, we partnered with Tetra Pak®, Aerodom, and Green Love to install a machine that receives Tetrapak containers, PET bottles and aluminum cans in exchange for discounts at the restaurants at the Las Americas International Airport - AILA.



Water consumption:
7,676
megaliters coming directly from the city water supply to the airport

During 2021, our total social investment was US\$10,138.91. We partnered with the Ser Eco Foundation and CONANI to take the Design for Change program to three districts in Puerto Plata and Boca Chica, places where Terpel has operations.



Waste products:
4.7
tons managed through authorized environmental handlers



Environmental investment expenses:
\$ 1,907.41
dollars





Since the registration of Organización Terpel S.A. (hereinafter "Terpel") and its subordinates as a business group, we have focused on achieving specific and systematic objectives under shared purpose and management by virtue of Terpel's direction as the parent company, notwithstanding individual development of the corporate purpose and of the activity of each subordinate. As of December 31, 2021, the companies in the group are:

- ▶ Terpel Comercial Ecuador CIA Ltda.
- ▶ Administración Estratégica de Gasolinera del Ecuador - Adesgae S.A.
- ▶ Terpel Peru S.A.C.
- ▶ Inversiones Organización Terpel Chile S.A.
- ▶ Organización Terpel República Dominicana S.A.S.
- ▶ Organización Terpel Corporation S.A.C.
- ▶ Petrolera Nacional S.A.
- ▶ Terpel Energía S.A.S. E.S.P.
- ▶ Vonport Corp.
- ▶ Orlyn S.A.
- ▶ Transmarine Transportation & Barging S.A.
- ▶ Fuel Petroleum Services S.A.
- ▶ Masser S.A.S.
- ▶ Terpel Aviación del Peru S.R.L.
- ▶ Terpel Comercial del Peru S. R. L.
- ▶ Puertos del Caribe Sociedad Portuaria S. A.
- ▶ Terpel Exportaciones C.I. S.A.S.
- ▶ Bac Thor S.A.C.
- ▶ Bac Petrol S.A.C.
- ▶ Stem Terpel S.A.S.

In 2021, Terpel diversified its energy offer and led in the transition to solar energy with innovation and applied solutions. In that process, it confirmed a commercial alliance with FLUX SOLAR SpA through a non-controlled company (Flux Terpel S.A.S.) whose main activity is the development of projects to generate energy using photovoltaic solar panels.

During the first half of the year, finalization was reported of Terpel's control over the company Organización Terpel Chile S.A., as a result of that company's dissolution and liquidation. Likewise, the Financial Superintendent of Colombia, in its Resolution No. 0426 on May 5, 2021, authorized an increase in the global limit for the Program for the Issuance and Placement of Ordinary Bonds and Commercial Papers ("PEC" for the Spanish) by an additional amount of seven hundred eighty billion pesos (\$780,000,000,000), which brought the total limit for the PEC to two trillion seven hundred eighty billion pesos (\$2,780,000,000,000). In the previously mentioned resolution, the Financial Superintendent also approved the renewal of the authorized term for the public offering of these securities that are part of the PEC, for five years from the effective date of the resolution.

A. Business
Group Relations

Notwithstanding the independence of each of the companies in the conglomerate and the responsibilities of their governing bodies, there is an organizational structure for the Business

Group, defined for the three levels of government: the General Shareholders' Assembly, the Board of Directors, and senior management. This structure identifies key bodies and individual positions, and the relationship between them as a group. All of this is public, clear, and transparent, as shown in the following table:

	Bodies from	Receives information			Informs:		
Parent Company	Shareholders' Assembly	Board of Directors	President				
	Statutory Auditor	Receives information at the group level			Assembly	Board of Directors	Audit Committee
	Board of Directors	Audit Committee	Compensation Committee	President	Assembly		
	Audit Committee	Statutory Auditor	Internal Auditor	President	Board of Directors		
	Compensation and Benefits Committee	President	Vice Presidents		Board of Directors		
	President	Vice Presidents	Managers	Country Managers	Assembly	Board of Directors	Audit Committee
	Internal Auditor	Vice Presidents	Managers		Audit Committee	President	
	Vice Presidents	Managers			Board of Directors		
	Managers	Receive information from the offices they manage			Vice Presidents		
Group Affiliates	Country Shareholders' Assembly	Country Board of Directors			Board of Directors		
	Country Board of Directors	Country Managers			Country Assembly		
	Country Managers	Receive information in accordance with the areas they manage			Country Board of Directors	President	

In the year 2021, Terpel engaged in transactions with affiliates, subsidiaries, shareholders, and related parties in the framework of the laws currently in effect. In development of these transactions and with a view toward greater transparency, the Vice President of Corporate and Legal Affairs submitted a report each month to the Board of Directors on Transactions with Related Parties. It discloses all transactions between Terpel and/or its related parties with company administrators and/or their related parties. This was done in the understanding that, in accordance with current legislation, "Administrators include the legal representative, the liquidator, the factor, the members of boards or steering committees, and those who, in accordance with the bylaws, exercise or hold those functions." Likewise, two or more natural or juridical persons are considered to be related parties when one participates directly or indirectly in the administration, control, or capital of the other. A related party can also be a natural person, if that person, in the exercise of their functions, exercises control or significant influence, or is a member of the reporting company's key management personnel.

Note that, as of December 31, 2021, none of the companies in the Terpel Business Group have any legal restrictions on developing their corporate purpose, nor have there been any legal convictions that could impair their financial results at the close of 2021. In addition, based on strict compliance with the laws and regulations for our activities, our adherence to free market principles, and our continuous respect for consumer rights, there are no judicial convictions imposing fines or significant sanctions against the companies belonging to the group.

No material transactions took place in the framework of the Business Group during the respective fiscal year between the controlling Company or its affiliates or subsidiaries with the respective controlled company, nor were there transactions between the controlled companies and

other entities based on the influence or in the interest of the controlling company, nor were there transactions between the controlling company and other entities in the interest of the controlled company, nor were relevant decisions made or not made by the controlled companies based on the influence or in the interest of the controlling company. Likewise, no relevant decisions were made or not made by the controlling company in the interest of the controlled companies.

B. Foreign expenses, expenditures, and obligations

Relative to the reports described in Article 446 of the Code of Commerce – expenditures – and in Article 29 of Law 222 of 1995 – business group, that information was made available to the shareholders during the period established by the laws in effect for the exercise of the Right of Inspection prior to the Shareholders' Assembly.

We have therefore included below a consolidated statement of expenses for salaries, fees, per diems, entertainment expenses, bonuses, benefits in money and in kind, transportation expenses, and any other type of remuneration received by the directors of Organización Terpel S.A. It also includes expenses for those same line items received by consultants or managers associated with the company either under an employment contract or not, when their main function was to engage in procedures with public or private entities, or to provide advice about or prepare studies in order to undertake those procedures. It also lists advertising and public relations expenses, money or other assets held by the company abroad, and foreign currency obligations and investments in other companies, domestic or foreign, as follows:

- 1) In the year 2021, expenditures for per diems, entertainment, and other payments in money to the company's managers totaled \$0.
- 2) The fees paid to the Board of Directors for board attendance during the year 2021 totaled \$1,206,637,948.

- 3) Fees paid to consultants during the year 2021 are broken down as follows: legal consulting \$3,569,311,883, financial consulting \$1,973,501,908, tax consulting \$277,695,763 and technical consulting \$23,141,377,258.
- Transfers of money and other assets were made for no consideration in favor of the following juridical persons:

Identification	Name	Amount	Donation
8305042841	Fundación Catalina M	4,000,000	Money
8921152411	Fundación Cerrejón para el Progreso de La Guajira	21,000,000	Money
9003540369	Axionlog Sas	23,000,000	Money
8301240321	Fundación Best Buddies Colombia	32,000,000	Money
8301327692	Fundación Terpel	5,667,000,000	Money
TOTAL		5,747,000,000	

- 4) Advertising and publicity expenses for the year 2021 totaled \$56,745,343,538.
- 5) Organización Terpel S.A.'s funds and obligations abroad for the year 2021 (includes accounts abroad) totaled \$2,996,220,322.

- Accounts abroad:

Institution	Amount in COP
JP Morgan Chase Bank York	\$2,996,220,322

- Foreign debt as at December 31, 2021: Organización Terpel S.A. has no debt outside the country.

6) The company's investments as at December 31, 2021 totaled \$1,598,862,080 and were the following:

Identificación	Nombre	Participación %	Valor inversión
20521921618	PGN Norte S.A.C.	25%	2,091,417
20521021880	PGN Sur S.A.C.	25%	1,222,252
990962170001	Terpel Comercial Ecuador Cia Ltda	39%	39,605,549
20511995028	Terpel Perú S.A.C.	36%	-12,833,775
901.045.599-1	Puertos del Caribe Sociedad Portuaria S.A.	90%	786,131
76127612-3	Inversiones Organización Terpel Chile S.A.	100%	65,829,687
1-30-78033-1	Terpel Republica Dominicana SRL	100%	34,624,347
1019-225-108400 DV-92.	Petrolera Nacional S.A	100%	447,905,740
900433032-9	Terpel Energía S.A.S. E.S.P	100%	10,965,822
1944745	Organización Terpel Corporation	100%	996,853,364
901367440-1	Stem Terpel S.A.S	51%	128,563
901.210.452-5	Terpel Exportaciones Cl. S.A.S.	100%	11,682,988
		TOTAL	1,598,862,085

C. Good Corporate Governance Report

Organización Terpel S.A. is committed to adopting best practices for corporate governance in accordance with the highest standards established for securities issuers in External Circular 028 of 2014 issued by the Financial Superintendent of Colombia. Terpel believes that corporate governance is its most important tool for promoting its corporate strategy and vision, as well as its principles of respect, integrity, trust,

and equitable treatment in all relationships with the different stakeholders in society's different administrative bodies.

Organización Terpel S.A. filled out and submitted the Corporate Best Practices Report called "Country Code Survey," and it is available for consultation both on the company's website, and as an annex and an integral part of this report. In addition, and in execution of best governance practices, Terpel once again earned the IR Issuers Recognition from the Colombian

Stock Exchange for adopting best practices in information disclosure and investor relations by providing sufficient and timely information through appropriate communication channels.

And lastly, Terpel continued to participate actively in the Colombian Institute of Corporate Governance – ICGC. The Institute's purpose is to promote the development and adoption of best corporate governance practices in Colombia, helping improve the management and performance of organizations.

C.1. The company's ownership structure

There were no changes in the capital structure in 2021, maintaining a total of 195,999,466 common shares, 14,574,961 of which have been repurchased, for a total of 181,424,505 common shares outstanding. As at December 31, 2021, 58.51% is held by the majority shareholder Compañía de Petróleos de Chile Copec S.A., (56.18% held directly, corresponding to 101,930,028 common shares, and 2.33% held indirectly through its related party Copec Overseas with 4,230,457 common shares of Organización Terpel S.A.).

Except in the case of disputes between shareholders, or between shareholders and the company or its Board of Directors, which by express legal provision must necessarily be settled in the ordinary jurisdiction, the company's bylaws include **mechanisms for settling disputes**, such as direct agreement, amiable composition, conciliation, or arbitration.

been reported between shareholders, nor were there negotiations of shares and/or securities issued by the company on the part of the members of the Board of Directors, senior management, or other administrators, in accordance with the provisions of the Code of Good Corporate Governance. Nor were there any conflicts between shareholders causing them to resort to the mechanisms for settling disputes indicated in the company's bylaws.

During the same period there were no situations of conflict of interest to be evaluated by the Board of Directors and placed at the consideration of the General Shareholders Assembly. In this respect, during 2021 we developed an online form for the prevention of conflicts of interest, available to all team members, with the purpose of maintaining transparent relationships in all transactions. The forms are analyzed by the Compliance Committee, the body made up of the Vice President of Human Resources and Administration, the Administrative Manager, the Internal Audit Manager, the Compliance Officer, and the Head of Labor Relations. That committee then makes the recommendations necessary to manage potential conflicts of interest, communicating them both to the direct supervisor and to the reporting employee.

Company employees are therefore expected to act with due diligence and loyalty, communicating situations in which there is a conflict of interest, while respecting confidentiality. All the company's activities are characterized by integrity, respect, and reliability, and adherence to the rules of business ethics and good faith, and respect for laws and business customs. We focus on fulfilling the corporate purpose while emphasizing and giving priority to the common good and service to the community. A company employee facing an occasional conflict of interest must use the following procedure: 1. Report the conflict in writing to the employee's supervisor, with details about the situation. The supervisor will determine whether the employee must continue with the respective process; . Abstain from direct or indirect involvement in activities or decisions connected with the company's determinations in reference to the conflict, or cease all actions in the case of knowledge of a conflict of interest;

3. Decisions or actions by managers at Organización Terpel S.A. must pursue the satisfaction of the company's interests and respect for the rights of shareholders, and must not be motivated by considerations of a personal nature; 4. Relationships of kinship, friendship, or expectations relative to current or potential suppliers, contractors, customers, or competitors must not affect their independence and good judgment in their protection of the interests of Organización Terpel S.A.

A company employee who faces an ongoing conflict of interest, must use this procedure: 1. Inform his or her supervisor and immediately abstain from taking actions and from intervening, directly or indirectly, in activities and decisions related to the company's determinations regarding the conflict; 2. The supervisor must immediately report the conflict of interest to the Compliance Committee, which will make the decisions necessary. In the event the conflict of interest occurs at the level of the Board of Directors, the provisions shall apply that are contained to that effect in the Internal Regulations of the Board of Directors.

Decisions or actions by managers at Organización Terpel must pursue the satisfaction of the company's interests and respect for the rights of shareholders, and must not be motivated by considerations of a personal nature. Relationships of kinship, friendship, or expectations relative to current or potential suppliers, contractors, customers, or competitors must not affect their independence and good judgment in their protection of the interests of Organización Terpel S.A. and its business group. Doubts about which acts imply a conflict of interest do not produce an exemption from the obligation of abstaining from participating in the respective activities until a final decision is made by the corresponding body.



C.2. Composition of the Board of Directors and Senior Management

The General Shareholders' Assembly on March 22, 2019 maintained the remuneration of its members at eight (8) legal minimum monthly salaries currently in effect for each meeting attended. Using the electoral quotient mechanism established in article 197 of the Code of Commerce, it chose the following members for the 2019-2022 term:

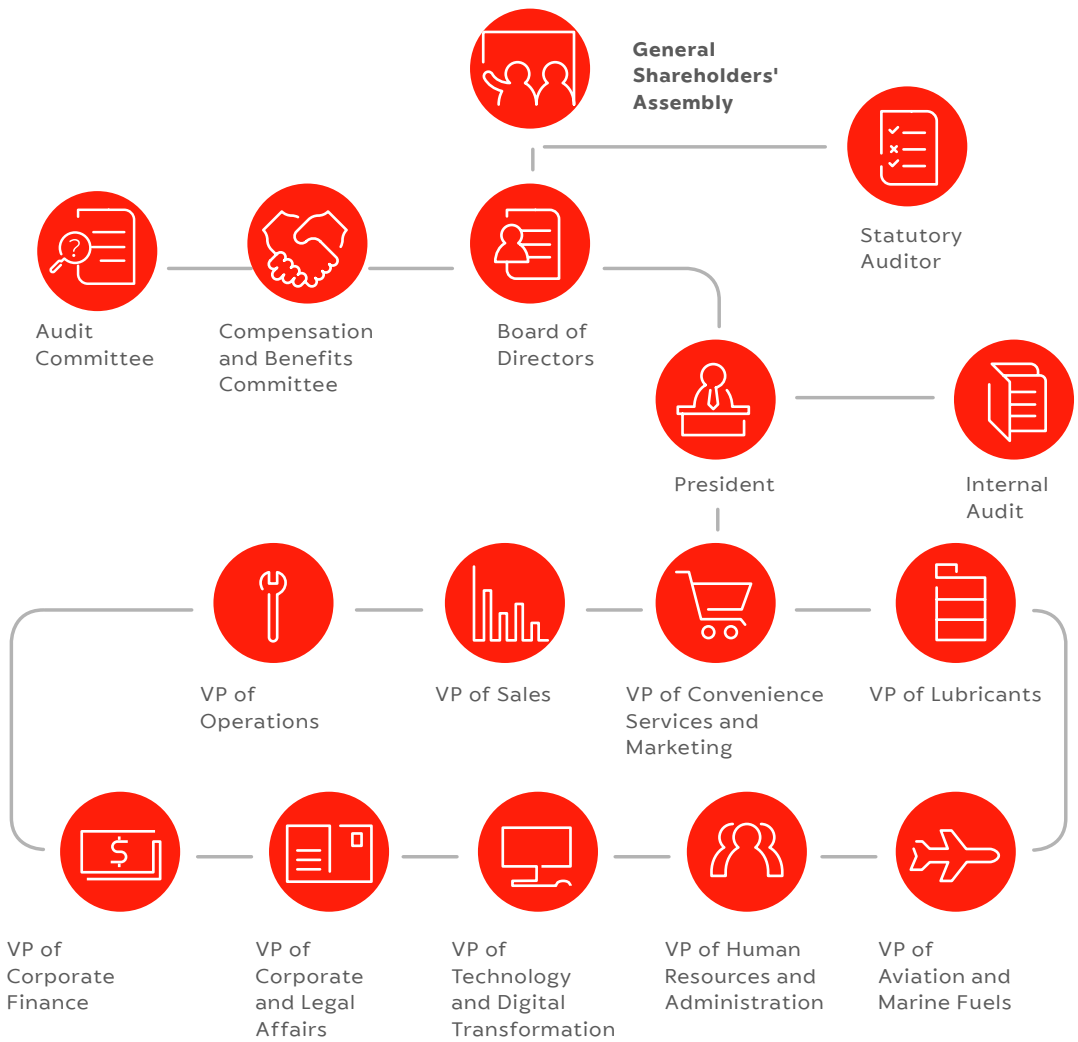
Regular members	Alternate members
1. Lorenzo Gazmuri Schleyer- Shareholder-appointed	1. Juan Diuana Yunis - Shareholder-appointed
2. Jorge Andueza Fouque - Shareholder-appointed	2. Alejandro Palma Rioseco - Shareholder-appointed
3. Arturo Natho Gamboa - Shareholder-appointed	3. Jorge Andrés Garcés Jordán - Shareholder-appointed
4. Leonardo Ljubetic Garib - Shareholder-appointed	4. Rodolfo Castillo García- Shareholder-appointed
5. Jorge Alberto Bunster Betteley - Shareholder-appointed	5. Eduardo Navarro Beltrán- Shareholder-appointed
6. Jose Oscar Jaramillo Botero - Independent	6. Gabriel Jaramillo -Independent
7. Bernardo Dyner Rezonow - Independent	7. Tulio Rabinovich Manevich - Independent

Shareholder-appointed members are members who are expressly nominated by a shareholder or group of shareholders to serve on the Board of Directors. A summary of the members' resumes can be consulted on Terpel's website using the following link: <https://www.terpel.com/Global/Accionistas/Gobierno-shareholdersCorporateGovernanceBoardofDirectorsDirective>. From January to December 2021, the board met 12 times including both in-person and online meetings, and attendance on average was 100%.

Our senior management is made up of a group of top-level executives who work together to meet and develop the company's objectives and obligations:

Name	Position
Oscar Bravo Restrepo	President
José Carlos Barreto	Vice President of Operations
Daniel Perea Villa	Vice President of Corporate and Legal Affairs
Alonso Botero Pardo	Vice President of Corporate Finance
Alejandra Londoño Carulla	Vice President of Convenience Services and Marketing
Johand Patiño Vega	Vice President of Fuel Sales
María Mercedes Carrasquilla	Vice President of Human Resources and Administration
Liliana Tovar Silva	Vice President of Aviation and Marine Fuels
Nelson Yobani Pabón	Vice President of Technology and Digital Transformation
Rodrigo Marcelo Ferreira	Vice President of Lubricants

Our corporate governance structure at Organización Terpel can be summarized as follows:



C.3. Functions of the Board of Directors and Senior Management

Terpel's vision is, *"By the year 2025, a highly inspirational team will make Terpel the #1 brand in service, recognized as a Country Partner."* What this vision clearly shows is that company governance is inspired by achieving our business strategy and objectives and by carrying out the important functions involved in our corporate purpose. With this perspective and in order to meet this goal, the Board of Directors holds the following powers: 1. - To establish its own bylaws and determine the company's

internal regulations; 2.- To cooperate with the President in the administration and management of the company's business, and to delegate to the President or any other employee any functions it deems convenient; 3.-To, each year, elect the Chairman of the Board and an alternate, as well as the Legal Representative and an alternate; 4.- To order, when deemed appropriate, the formation of advisory or technical committees composed of the number of members it assigns to advise the President on determined matters, and to create other positions it may deem necessary for the good service of the company, and to determine their functions

and remuneration; 5.- To designate the members of the Audit Committee; 6.- With the President of the company, to present to the General Shareholders' Assembly the balance sheet for each fiscal year, and the other annexes and reports referred to in article four hundred and forty-six (446) of the Code of Commerce, after they have been considered by the Audit Committee. In addition, when deemed convenient, to propose to the General Shareholders' Assembly any amendments it deems appropriate to the bylaws; 7.- To advise the President, upon request, in connection with legal actions to be filed or prosecuted; 8.- To call a special session of the General Shareholders' Assembly whenever deemed convenient, or when requested by a number of shareholders representing at least one fourth of the subscribed shares; 9.- To give an advisory vote when the General Shareholders' Assembly so requests or when so determined by the bylaws; 10.- When it sees fit, to examine, either directly or through a committee, the company's books, accounts, documents, and cash; 11.- To approve the acquisition of other companies, sell them, or propose to the General Shareholders' Assembly their incorporation or merger with another company; 12.- To establish or eliminate branches or agencies inside or outside of the country, to regulate their operations, and to establish at all times the powers and duties of the administrators; 13.- To regulate placements of common shares the company has in reserve; 14.- To determine headings to be taken to special funds; 15.- To interpret any bylaws on which there are doubts and establish their meaning until the next General Shareholders' Assembly can be convened to address the matter; 16.- To authorize the President to enter into any act or contract in an amount greater than three million dollars (USD\$3,000,000), except for the acquisition, sale, distribution, supply, and transportation of products derived from petroleum, natural gas, LPG, and biofuels; the purchase, sale, or acquisition under any title, import, export, production, storage, packaging, transportation, supply, and distribution of synthetic lubricant base oils and synthetic lubricants; the purchase, sale, acquisition under any title and distribution of

electric energy and/or any other alternative energy to vehicles, through service stations and/or any other location and/or means of supply; the assembly, construction, operation, business development, storage, sale, distribution, dispensing, manufacture, assembly, purchase or sale, import, export, commercialization, and supply of parts, accessories, devices, machinery, and equipment for electric charging stations or any other electric vehicle charging system; as well as the provision of consulting services related to the above activities, which are not subject to the above restriction; 17.- To watch over strict compliance with all the provisions set forth in these bylaws and those established for the proper operation of the company, and to make all decisions necessary in order for the company to fulfill its purposes that do not correspond to the Assembly or any other body of the company; 18.- To authorize the Legal Representative of all the affiliate and/or subordinate companies to enter into any act or contract of an amount greater than three million dollars (USD\$ 3,000,000); exempted from this provision are the acquisition and sale of products derived from petroleum, gas, and biofuels; the purchase, sale, distribution, supply, and transportation of products derived from petroleum, natural gas, LPG, and biofuels; the purchase, sale, acquisition under any title, import, export, production, storage, packaging, transportation, supply, and distribution of synthetic lubricant base oils and synthetic lubricants; the purchase, sale, acquisition under any title, and distribution of electric energy and/or any other alternative energy to vehicles through service stations and/or any other location and/or means of supply; the assembly, construction, operation, business development, storage, sale, distribution, dispensing, manufacture, assembly, purchase and sale, import, export, commercialization, and supply of parts, accessories, devices, machinery, and equipment for electric vehicle charging stations or any other electric vehicle charging system; as well as the provision of consulting services related to these activities; which are not subject to the stated restriction; 19.- To approve the issuance of securities, including, but not limited to the preparation and approval of

the corresponding Issuance and Placement Regulations, and the determination of other terms and conditions deemed pertinent to undertake the issuance of the securities, and to delegate the power to the legal representative to take, either directly or through a proxy, all actions necessary for the successful placement of the securities;

20.- To create and/or modify the Code of Good Corporate Governance;

21.- To approve the acquisition of shares of the company;

22.- To designate from among the legal representatives or the legal representative, the person responsible for timely disclosure of the company's relevant information;

23.- To consider and respond in writing to proposals submitted and justified in a clear manner by any shareholder or group of shareholders. The Board of Directors shall provide a response through the Legal Representative within sixty (60) calendar days from the date of the request. In addition to the above, the Board of Directors shall have the power:

24.- To appoint the President of the company, and executives of subsidiaries, affiliates, or branches of the company,

25.- To sell shares owned by the company,

26.- To form strategic partnerships or any other type of equivalent agreement with third parties,

27.- To dispose of assets and investments under any title,

28.- To make investments in other companies,

29.- To take out guarantees to secure the company's obligations, and

30.- To guarantee obligations of the Company or its affiliates or subsidiaries.

No members of Terpel's Board of Directors are legal representatives or members of the company's senior management. Likewise, in accordance with the prohibition contained in Article twenty-six of the Internal Regulations of the Board of Directors, the person acting as the company's legal representative may not serve as the Chairman of the Board of Directors.

The Board Chairman is responsible for directing the activities of Terpel's Board of Directors, and the Secretary for their coordination. Therefore, in the Internal Regulations of the Board of Directors, the following are the ordinary powers of the Chairman of the Board:

1. - To ensure that the Board of Directors establishes and efficiently implements the company's strategic direction;
- 2.- To promote corporate governance, acting as a liaison between the shareholders and the Board of Directors;
- 3.- To coordinate and plan the operation of the Board of Directors by establishing an annual work plan based on the functions assigned;
- 4.- To call meetings, either directly or through the Secretary of the Board of Directors;
- 5.- To prepare the agenda for the meetings, in coordination with the President of the company, the Secretary of the Board of Directors, and the other members;

among other powers. For the 2019-2022 term, Mr. Lorenzo Gazmuri will serve as Chairman

The powers of the Secretary of the Board of Directors are the following:

1. To give the members of the Board of Directors all assistance and information necessary to perform their duties;
2. To save corporate documentation;
3. To prepare the minutes of the meetings, taking special care to faithfully reflect the content of the sessions and identify the supporting documents for decisions made, as well as the reasons for either agreement or disagreement stated by those in attendance;
4. To bear witness to the resolutions of the Board of Directors;
5. To deliver all information required by the members of the Board of Directors no less than two (2) calendar days prior to the meetings, in accordance with the agenda items indicated in the call to the meeting;
6. To send to all the regular and alternate members copies of the respective minutes of the board meeting once they are approved; and;
7. To make available to first-time elected members of the Board of Directors, as well as alternate members, sufficient information to have specific knowledge about the company and the sector in which it operates.

For the 2019-2022 term, the Vice President of Corporate and Legal Affairs will serve as the Secretary of the Board.

C.4. Committees of the Board of Directors

In exercise of its functions, the Board of Directors of Organización Terpel S.A. has, to date, two (2) formal support committees: (i) the Compensation and Benefits Committee, and (ii) the Audit Committee, which have complied strictly with their functions, and have presented the corresponding reports and recommendations to the Board of Directors.

The following is a description of their composition and their main achievements:

The Compensation and Benefits Committee:

(I) Composition for the 2019-2022 term:

Members

José Oscar Jaramillo
(Member of Board of Directors)

Jorge Andrés Garcés
(Member of Board of Directors)

Oscar Bravo Restrepo
(President Organización Terpel S.A.)

María Mercedes Carrasquilla
(Vice President Human Resources and Administration)

María Cristina Romero
(Administrative Manager)

(II) Work:

The Compensation and Benefits Committee at Organización Terpel S.A., in accordance with its bylaws, has ensured that the Human Resources area at Organización Terpel S.A., and at its related companies, is managed in accordance with corporate guidelines and with modern practices for comprehensive human development. The committee has worked to maintain a fair and competitive compensation system to attract and retain the people the company requires to fulfill its mission and strategic objectives. The committee met two times in virtual meetings during the year 2021, due to the health emergency decreed in response to the COVID-19 pandemic.

During those meetings, the members discussed figures for infections, the measures implemented during the pandemic and their effectiveness, and programs implemented to maintain the corporate culture and unity among team members during this phase of social distancing at Terpel and at its affiliates. They also evaluated different scenarios for returning to the office, looking at tactics to make coming back a memorable experience for employees. This return took place in September 2021, in accordance with the results of the second remote work census on the topic of going back to the office, which was presented to the committee and approved by it. The Diversity, Equity, and Inclusion Policy and the Leadership Policy were also presented to this committee.

The Audit Committee:

(I) Composition for the 2019-2022 term:

Regular members	Alternate members
Bernardo Dyner Rezonow (Independent)	Tulio Rabinovich Manevich (Independent)
Jose Oscar Jaramillo Botero (Independent)	Gabriel Jaramillo (Independent)
Juan Diuana Yunis	Leonardo Ljubetic

(II) Work:

In the exercise of its duties and in accordance with its bylaws, the Audit Committee: (i) reviewed the company's accounts and monitored compliance with the generally accepted accounting standards. In that analysis, it reviewed the annual and regular financial information prior to submitting it to the Board of Directors, giving emphasis to changes in accounting methods, accounting estimates, important adjustments as a result of auditing, and evaluations of business continuity and of compliance with the current laws and regulations that affect the company; ii) served as a channel for communication between Terpel's Board of Directors and the external auditor, supervising the services of the latter; (iii) confirmed proper performance of

the company's control and disclosure systems; (iv) verified that the Board of Directors complied with its duties and functions, (v) complied with the applicable legal and statutory provisions. It also verified that the transactions between Organización Terpel and its related parties took place under market conditions and did not violate equality of treatment among shareholders, and (vi) highlighted the importance of continuing to strengthen the internal control system of Organización Terpel and of its related companies. During 2021, the Audit Committee met four times, as recorded in the minutes.

Regarding the **organizational structure**, in 2021 we created a new division to lead and manage the company's technological development.

D. General Shareholders' Assembly

Article 3 of Decree 398 of 2020 established: "...) All juridical persons, without exception, shall be entitled to apply the rules established in Articles 1 and 2 of this Decree to hold non-face-to-face meetings of their governing bodies." The Superintendent of Corporations in its External Circular No. 100-000002 on March 17, 2020, issued instructions regarding conducting non-face-to-face meetings of governing bodies. In accordance with those regulations, on January 28, 2021, the company extended a call to the General Shareholders' Assembly. The invitation delivered instructions for pre-registration and participation in said virtual meeting, setting up the necessary online channels for attendance, deliberation, and simultaneous voting of all shareholders once their identification was confirmed. Terpel was thus able to safeguard shareholder health and safety.

Thus, on March nineteen (19) of the year two thousand twenty-one (2021) at eight in the morning (8:00 a.m.), with a quorum of 140,241,848 shares, corresponding to 77.30% of the outstanding shares, the company's virtual regular General Shareholders' Assembly was broadcast via the link <https://www.webasamblea.com/terpel>

Relative to control systems, the company has fully complied with the regulations applicable to the rights of data subjects. Terpel also has an effective manual for the management and prevention of the risks of money laundering, financing of terrorism, and corruption related to our activities as an issuer of securities, port operator, customs user, and ground cargo transporter, and we have strictly complied with the rules and regulations applicable to the prevention and control of the **risk of money laundering and financing of terrorism**. In fact, in 2021, we worked to strengthen these policies and procedures. We established a separate area to manage such issues, which prepares the pertinent reports for the competent authorities, especially the Financial Information and Analysis Unit (UIAF for the Spanish). We have also continued to train all company employees in this area.

On the topic of **rights of data subjects**, we would like to highlight our compliance with these rules, the training we have provided for company employees, and the registration of our databases with the competent authority.

The following are the significant **regulatory changes** related to the company's activities: (i) Resolution No. 40368 of December 4, 2021, which issued the technical regulations applicable to service stations that supply LPG for vehicle use (AutoGLP); (ii) Resolution No. 40340 on November 9, 2021, which established the requirements to be met by agents providing the service of LPG for vehicle use (AutoGLP and NautiGLP) as an automotive transportation fuel; (iii) CREG Resolution 185 on September 23, 2021, which established provisions for the sale of transportation capacity in the wholesale market for natural gas; (iv) CREG Resolution 186 on September 23, 2021, which regulated commercial aspects of supply by the wholesale natural gas market; (v) Law 2024 of July 23, 2021, which regulates what it calls "Fair payment terms" and its Regulatory Decree 1733 of December 22, 2021, which establishes the time periods for the payment of the obligations of purchasers, and exceptions; (vi) Decree 1281 of 2021, which adopted new types of storage for fuels, biofuels and

their blends; (vii) Resolution 40405 of 2021, which adopted the technical regulations applicable to service stations, storage plants, and large consumer facilities with fixed installations and final consumer storage tanks; (viii) Law 2135 of 2021, which issued definitions for fuel distribution in border areas; (ix) Law 2099 of 2021, on the energy transition; (x) Resolution 40412 of 2021, which defined the methodology for the allocation of quotas to service stations located in border areas; (xi) CREG Resolution 135 of 2021, which established the rules applicable to the sale of surpluses from the self-generation of energy; (xii) CREG Resolution 175 of 2021, which established the criteria for the remuneration of the transportation of natural gas; (xiii) Resolution 40193, which delegated functions in the area of CREG fuel tariffs; (xiv) Circular 40011, which established conditions for the standardization of the electric vehicle charging market; (xv) Resolution 40362, which establishes the regulation of incentives for electric mobility; (xvi) Resolution 40408, the multi-purpose pipeline expansion plan; (xvii) Resolution CREG 131 establishing differentiated metering in electric charging stations; (xviii) CREG Resolution 171, which regulates differentiated metering in electric mobility; (xix) Resolution 174 that regulates the connection of self-generators, and; (xx) Resolution 2103, which sets the fees for procedures to integrate companies.

E. Intellectual Property

The Terpel Business Group also complied, during the year 2021, with the intellectual property laws established in Colombian law. Accordingly, our brands are duly registered in accordance with legal requirements, and our contracts comply with intellectual property laws. We registered the following trademarks: i) Terpel GT Extra 98 to distinguish our differentiated and innovative fuel, with which the organization intends to increase the consumption of extra fuel and deliver a better quality product to its consumers; ii) Green Pass (nominative and mixed) to identify an innovative project that promotes sustainable and environmentally-friendly consumption in the lubricants sector; iii) Smart Assistance, for our lubricant investigation and analysis service; and iv) the new logo of the Altoque brand, which forms a part of the change in image of that business. Our companies all ensure proper protection of intellectual property and enforce the rules in this area.

Lastly, in accordance with Law 1676 of 2013, we state for the record that at no time did company management hamper the free circulation of invoices issued by vendors or suppliers and, consequently, we have permitted their free negotiation and collection by their legitimate issuers.

INTEGRATED REPORT ON LEGAL AND FINANCIAL ASPECTS

ANNEXES

ANNEX 1 Our certifications (2021)

Aviation	Sale, transportation, operation and supply of aviation fuel	Icontec	ISO 9001:2015	February 15, 2023
			ISO 14001:2015	February 15, 2023
			ISO 45001:2018	February 15, 2023
			Norsok: score of 99.40%	February 27, 2022
Aviation	Biosafe Operations under Resolution 777 of 2021	Icontec	Biosafe Operations Seal	December 1, 2022
			Resolution 777 of 2021	
			Score of 97.8%	
Lubricants plant	Biosafe Operations under Resolution 777 of 2021	Lloyd's Register	ISO 9001:2015	August 28, 2023
			ISO 14001:2015	August 28, 2023
			ISO 45001:2018	August 28, 2023
Technology and innovation center laboratory	Laboratory analysis services for lubricating oils in service	Icontec	ISO 14001:2015	February 19, 2022
			ISO 45001:2018	February 19, 2022
			Norsok: score of 99%	August 4, 2022

Operations (Applies to all Terpel Colombia operations)	Storage and dispatch of fuels and lubricants	Colombian Safety Council	RUC 2021 Score of 90%	June 17, 2022
Lubricants	For sale in Colombia.	Icontec	NTC 1295 Standard (10 products)	October 29, 2023
Lubricants	For sale in Colombia.	Icontec	NTC 1399 Standard (4 products)	October 29, 2023
Lubricants	For sale in Ecuador	Icontec	NTE INEN 2027 Standard (14 products)	January 11, 2024
Lubricants	For sale in Ecuador	Icontec	NTE INEN 2028 Standard (8 products)	January 11, 2024
Lubricants	For sale in Ecuador	Icontec	NTE INEN 2030 Standard (13 products)	January 11, 2024



ORGANIZACIÓN TERPEL GRI CONTENT INDEX

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-1	Organizational profile	
		Legal name	Organización Terpel S.A.
		Nature of ownership and legal form	Privately owned joint-stock company
		Location of headquarters	Bogotá, Colombia
		Countries of operation	Colombia, Peru, Ecuador, the Dominican Republic, and Panama.
	GRI 2-2	Entities included in the organization's sustainability reporting	
		All the entities included in the organization's sustainability reporting	FINANCIAL STATEMENTS 2021 Page 153
		If the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting.	
		If the organization consists of multiple entities, explain the approach used for consolidating the information, including:	
		Whether the approach involves adjustments to information for minority interests.	
		How the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities.	
	GRI 2-3	Reporting period, frequency and contact point	
		Specify the reporting period.	January 1 to December 31, 2021
		Specify the frequency of the sustainability report.	Annual
		Specify the reporting period for financial reporting and, if it does not align with the period for sustainability reporting, explain the reason for this.	The financial statements are presented as at December 31, 2021.
		Report the publication date of the report or reported information.	July 2022

Material aspect	Contents	Description	Location / Response
General disclosures		Reporting period, frequency and contact point	
	GRI 2-3	Specify the contact point for questions about the report or reported information.	Valeria.bernal@terpel.com - Head of Corporate Responsibility andrea.cheer@terpel.com - Corporate Affairs Director
		Restatements of information	
	GRI 2-4	The reasons for the restatements	The information for all countries is reported under the IFRS.
		The effect of the restatements	No effect, because the information is presented with clarifications regarding variations.
		External Assurance	
	GRI 2-5	Describe the policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved.	With a view toward providing transparent accountability that builds trust with our stakeholders, we seek external assurance by KPMG, a professional firm whose services allow us to guarantee the integrity of the figures and management we report. As a result of their review, the sustainability committee informs and involves senior management in the most relevant observations and opportunities for improvement to be implemented by the organization.
		Activities, value chain and other business relationships	
	GRI 2-6	Report the sector or sectors in which the company is active.	Terpel is active in different sectors, including liquid fuels (gasoline, diesel, and jet fuel), CNG (natural gas for vehicles), LPG (liquefied petroleum gas), and the energy transition (use of renewable energy and alternative energy). It also has convenience stores at the majority of its service stations.

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-6	Activities, value chain and other business relationships	
		Describe the value chain, including: The organization's activities, products, services, and markets served. The organization's supply chain. The entities downstream from the organization and their activities.	<p>We have 31 supply plants.</p> <p>In terms of the fuel supply chain (regular gasoline – extra gasoline – diesel – marine diesel – jet A-1-aviation gasoline – fuel oil) the company currently has:</p> <ul style="list-style-type: none"> -A single provider for fuel approved by the Ministry of Mines and Energy, which is ECOPETROL. A contract was signed with Ecopetrol in 2021 to purchase regular gasoline, diesel, jet A-1, and aviation gasoline. -The product is delivered at 3 points (Barrancabermeja refinery, Cartagena, and alternate ports located in Barranquilla-Santa Martha-Cartagena-Santander-Valle del Cauca). -Product delivered by the multipurpose pipeline is transported by the provider CENIT and delivered to our facilities (19 interconnected plants including the jointly-owned plants). -For product delivered at an alternate port, the transportation is handled by Organización Terpel and distributed to the plants that need it. -The amount of fuel purchased from Ecopetrol in the year 2021 was 1,904,117,082 gallons. -For bios (fuel alcohol and palm biodiesel), we have 7 domestic suppliers and 1 international supplier of alcohol, and for B100 we have 6 domestic suppliers. -The amount of blends purchased in 2021 went down to: B100: 67,116,007 gallons Fuel alcohol from domestic sources: 42,318,532 gallons Imported fuel alcohol: 5,298,790 gallons
		Report other relevant business relationships.	N/A
		Describe significant changes in 2-6-a, 2-6-b and 2-6-c (items above) compared to the previous reporting period.	The company Flux Terpel is included in 2021, and was not included in the previous report.

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-7	Employees	
		Total number of employees	
		Permanent employees	
		Men	
		Women	
		Northern region	
		Antioquia region	
		Central and Western region	
		Sabana and Southern region	
		Bucaramanga region	DIVERSITY, EQUITY, AND HUMAN TALENT Organización Terpel's talent in figures Page 76
		Main office	
		Temporary employees	
		Men	
		Women	
		Northern region	
		Antioquia region	
		Central and Western region	
		Sabana and Southern region	
		Bucaramanga region	
		Main office	
		Non-guaranteed hours employees	
		Men	
		Women	
		Northern region	
		Antioquia region	N/A
		Central and Western region	
		Sabana and Southern region	
		Bucaramanga region	
		Main office	

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-7	Employees	
		Full-time employees	
		Men	
		Women	
		Northern region	
		Antioquia region	
		Central and Western region	
		Sabana and Southern region	
		Bucaramanga region	
		Main office	DIVERSITY, EQUITY, AND HUMAN TALENT Organización Terpel's talent in figures Page 78
		Part-time employees	
		Men	
		Women	
		Northern region	
		Antioquia region	
		Central and Western region	
		Sabana and Southern region	
		Bucaramanga region	
		Main office	
		Describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: -In head count, full-time equivalent (FTE), or using another methodology. -At the end of the reporting period, as an average across the reporting period, or using another methodology.	We collect employee data from the resumes filed in employee folders and in the successfactor tool. This is after Terpel hires the employee and we obtain informed consent to use their information, as required by the law on the rights of data subjects.
		Report contextual information necessary to understand the data reported.	As of the close of the year 2021, we had 1,496 active employees, in comparison to 1,478 active employees at the close of 2020. The difference of 18 people was produced by resignations and new hires.
		Describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	No significant fluctuations in the number of employees year-over-year.

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-8	Workers who are not employees	
		Report the total number of workers who are not employees and whose work is controlled by the organization.	MASSER - Terpel's Main Franchise Page 93
		The most common types of worker and their contractual relationship with the organization.	
		The type of work they perform.	
		Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: -In head count, full-time equivalent (FTE), or using another methodology. -At the end of the reporting period, as an average across the reporting period, or using another methodology.	
General disclosures	GRI 2-9	Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	
		Governance structure and composition	
		Describe the governance structure, including committees of the highest governance body.	The governance structure at Terpel is as follows: At the highest level is the General Shareholders' Assembly, followed by the Board of Directors, and then board committees that regulate a variety of matters. The Board of Directors has 2 formal committees: the Compensation and Benefits committee, and the Audit Committee. There are also support committees, including the Sustainability Committee, the Communications Committee, and the Compliance and Ethics Committee. And below them in the governance structure is the senior management, made up of the company's president and vice presidents.
General disclosures	GRI 2-9	List the committees of the highest governance body that are responsible for decision-making on and overseeing the management of the organization's impacts on the economy, environment, and people.	The committees responsible for the economy, the environment, and people are the Sustainability Committee, the Communications Committee, and the Compliance and Ethics Committee.

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-9	Governance structure and composition Describe the composition of the highest governance body and its committees by: <ul style="list-style-type: none"> - Executive and nonexecutive members - Independence - Tenure of members on the governance body - Number of other significant positions and commitments held by each member, and the nature of the commitments - Gender - Under-represented social groups - Competencies relevant to the impacts of the organization - Stakeholder representation 	CORPORATE GOVERNANCE AND TRANSPARENCY – Terpel's Corporate Governance Structure – Page 30
		Nomination and selection of the highest governance body Describe the nomination and selection processes for the highest governance body and its committees	CORPORATE GOVERNANCE AND TRANSPARENCY – Terpel's Corporate Governance Structure – Board of Directors, Page 31
	GRI 2-10	Describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taking into consideration: <ul style="list-style-type: none"> - Views of stakeholders (including shareholders) - Diversity - Independence - Competencies relevant to the impacts of the organization 	<p>The members of the Board of Directors must have experience in the sector and in what they do. Currently, seven (7) of the non-executive board members have experience in risk management and eight (8) have experience in the sector. The company also conducts an evaluation of the Board of Directors using a self-assessment tool that measures knowledge, skills, and experience, and identifies opportunities for improving the Board's work. This evaluation takes place at the end of each term, at a minimum.</p> <p>There is currently no explicit evaluation of the Boards' supervision of the organization's ESG impacts, but this will be done starting in 2022.</p>
	GRI 2-11	Chair of the highest governance body Report whether the chair of the highest governance body is also a senior executive in the organization.	The chair of the highest governance body is not a senior executive in the organization.
		If the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest or prevented and mitigated.	

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	
		Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development.	All objectives related to sustainable development are discussed and approved by the sustainability committee as the highest body of governance supervising this area.
		Describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including: -Whether and how the highest governance body engages with stakeholders to support these processes. -How the highest governance body considers the outcomes of these processes.	The Vice President of Corporate and Legal Affairs represents the executive committee to leverage the work and support all the sustainable development processes. In turn, Corporate Affairs and the Sustainability Department are in charge of presenting to the executive committee the processes associated with due diligence and others developed by the organization to approach environmental, social, and economic impacts.
		How the highest governance body considers the outcomes of these processes.	
General disclosures	GRI 2-13	Delegation of responsibility for managing impacts	
		Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including: -Whether it has appointed any senior executives with responsibility for the management of impacts. -Whether it has delegated responsibility for the management of impacts to other employees.	The executive committee has a Corporate and Legal Affairs Department that in turn has a Corporate Affairs Office. This is where all of the organization's matters related to sustainability are planned, developed, and communicated. That department reports the organization's performance in the area of sustainability to the Sustainability Committee.
		Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people.	The Sustainability Committee meets regularly, three or four times a year, to review progress, challenges, and the next steps for the most relevant issues associated with the organization's sustainability model and material aspects. This committee is made up of the company president and the vice presidents of Corporate and Legal Affairs, Human Resources and Administration, Operations, Corporate Finances, Sales, Convenience Services and Marketing, the Director of Corporate Affairs, the Director of the Terpel Foundation, and the Head of Corporate Responsibility.

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-14	Role of the highest governance body in sustainability reporting	
		Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information.	The executive committee gives final approval for the topics to be reported in the sustainability report, based on the scope of each company division. In turn, the Sustainability Committee, the highest governance body overseeing sustainability, is responsible for discussing and approving all matters at the organization related to sustainability, including the definition and updating of materiality.
	GRI 2-15	Conflicts of interest	
		Describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated.	INTEGRATED REPORT – LEGAL ASPECTS C.2. Composition of the Board of Directors and Senior Management
		Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: -Cross-board membership -Cross-shareholding with suppliers and other stakeholders -Existence of controlling shareholders -Related parties, their relationships, transactions, and outstanding balances.	INTEGRATED REPORT – LEGAL ASPECTS C.1. The company's ownership structure
	GRI 2-16	Communication of critical concerns	
		Describe whether and how critical concerns are communicated to the highest governance body.	INTEGRATED REPORT – LEGAL ASPECTS C.1. The company's ownership structure
	GRI 2-17	Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	N/A
		Collective knowledge of the highest governance body	
		Report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	The Board of Directors is evaluated at least every three years, or sooner as required, to assess knowledge, skills, and experience.

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-18	Evaluation of the performance of the highest governance body	
		Describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people.	There is currently no evaluation of the performance of the highest governance body of its supervision of the organization's ESG impacts, but this will be done starting in 2022.
		Report whether the evaluations are independent or not, and the frequency of the evaluations.	
		Describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.	
	GRI 2-19	Remuneration policies	
		Describe the remuneration policies for members of the highest governance body and senior executives, including: <ul style="list-style-type: none"> - Fixed pay and variable pay - Sign-on bonuses or recruitment incentive payments - Termination payments - Clawbacks - Retirement benefits 	This information is not reported based on confidentiality concerns.
		Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.	
	GRI 2-20	Process to determine remuneration	
		Describe the process for designing the remuneration policies and for determining remuneration, including: <ul style="list-style-type: none"> - Whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration. - How the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration. - Whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives. 	This information is not reported based on confidentiality concerns.

Material aspect	Contents	Description	Location / Response
General disclosures		Process to determine remuneration	
	GRI 2-20	Report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	This information is not reported based on confidentiality concerns.
		Annual total compensation ratio	
		Report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual).	
	GRI 2-21	Report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual).	Organización Terpel does not publish this information based on concerns related to confidentiality.
		Report contextual information necessary to understand the data and how the data has been compiled.	
		Statement on sustainable development strategy	
	GRI 2-22	Report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development.	LETTER FROM OUR PRESIDENT From resilience to reactivation Pages 5-7
		Policy commitments	
	GRI 2-23	Describe the policy commitments for responsible business conduct, including: -The authoritative intergovernmental instruments that the commitments reference -Whether the commitments stipulate conducting due diligence -Whether the commitments stipulate applying the precautionary principle -Whether the commitments stipulate respecting human rights	The organization's policy commitments for responsible business conduct focus on the company's internal policies, such as: the compliance and ethics, human rights, good neighbor, and corporate affairs policies. These policies are developed in the framework of applicable international guidelines such as the OECD, ILO, and others. Terpel applies the precautionary principle as part of its actions to prevent or mitigate potential negative impacts for each of our material aspects, and each business line is in charge of monitoring.

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-23	Policy commitments	
		Describe the specific policy commitment to respect human rights, including: -The internationally recognized human rights that the commitment covers -The categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment	Organización Terpel has a public commitment to respect human rights, described in its Human Rights Policy, which is available on Terpel's webpage.
		Provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this.	https://www.terpel.com/Global/Sostenibilidad/CO.P.11-Politica-de-derechos-humanos.pdf
		Report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level.	This policy was approved by the Vice President of Corporate and Legal Affairs as the representative of the Sustainability Committee and the executive committee, as the organization's highest governance body.
		Report the extent to which the policy commitments apply to the organization's activities and to its business relationships.	There is no information in this respect.
		Describe how the policy commitments are communicated to workers, business partners, and other relevant parties.	Terpel shares its human rights policy as part of the corporate induction for all new employees.

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-24	Embedding policy commitments	
		<p>Describe how the company embeds each of its policy commitments for responsible business conduct through its activities and business relationships, including:</p> <ul style="list-style-type: none"> -How it allocates responsibility to implement the commitments across different levels within the organization. -How it integrates the commitments into organizational strategies, operational policies, and operational procedures. -How it implements its commitments with and through its business relationships. -Training that the organization provides on implementing the commitments. 	<p>The Human Resources Department implements the commitments established in applicable policies through employee induction and re-induction. In turn, in the case of the human rights policy, it is shared with all stakeholders involved in the operation. It is the responsibility of Corporate Affairs, Human Resources, Internal Communications, Suppliers and Internal Control to disseminate information about Terpel's advances, changes, or new commitments in this area. In addition, each year the sustainability report describes the organization's results in the area of human rights.</p> <p>With respect to the good neighbor policy, the Vice President of Corporate Affairs, and more specifically the Public Affairs Office, is responsible for implementation and the dissemination of information. Terpel shares information about that policy at workshops and/or webinars on sociopolitical risks and, prior to the pandemic, during visits to regional offices by senior management.</p> <p>The ethics policy and the Code of Conduct are applicable companywide and to all Terpel's stakeholders, are disseminated by the Department of Corporate and Legal Affairs and by Human Resources, and are incorporated into contracts.</p>
	GRI 2-25	Processes to remediate negative impacts	
		<p>Describe the commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to.</p> <p>Describe the approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in.</p>	<p>The organization looks for alternatives for participatory solutions with the different areas and the communities, in order to make decisions in consensus that benefit the parties.</p> <p>The organization currently has a channel for submitting petitions, complaints, requests, and claims, which is managed by the marketing area, and specifically by the Service Experience Center or CES for the Spanish. A CRM system identifies and passes on all of the questions and complaints received through this channel. In addition, questions and complaints associated with communities are submitted directly at the plants and operation sites and are redirected to the Public Affairs Office, which is in charge of engagement with the community.</p>

Material aspect	Contents	Description	Location / Response
General disclosures		Processes to remediate negative impacts	
		Describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to.	The organization shares information about civil works that could impact the communities by organizing arenas prior to the work to share information about the benefits of the activities and opportunities for local hiring and the supply of goods and services.
	GRI 2-25	Describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms.	Currently, the parties involved do not take part in designing, reviewing, operating, and/or improving the mechanisms.
		Describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	There is no information in this respect.
		Mechanisms for seeking advice and raising concerns	
	GRI 2-26	<p>Describe the mechanisms for individuals to:</p> <ul style="list-style-type: none"> -Seek advice on implementing the organization's policies and practices for responsible business conduct. -Raise concerns about the organization's business conduct. 	<p>Terpel has a variety of reporting channels for attending to all queries and concerns. Two options are the line for confidential reporting and the email: reporteconfidencial. Either of these means can be used to anonymously and confidentially report cases such as: discrimination, harassment, improper use or safeguarding of assets, violation of intellectual property rights, violation of competition laws, improper handling of information, improper use of money, unreported conflicts of interests, and conduct that jeopardizes protection of the environment.</p> <p>The line is managed by Terpel's Internal Audit area.</p>

Material aspect	Contents	Description	Location / Response
General disclosures		<p>Compliance with laws and regulations</p> <p>Report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by:</p> <p>-Instances in which fines were incurred -Instances for which non-monetary sanctions were incurred</p>	
	GRI 2-27	<p>Report the total number and the monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by:</p> <p>-Fines for instances of non-compliance with laws and regulations that occurred in the current reporting period. -Fines for instances of non-compliance with laws and regulations that occurred in the previous reporting period. .</p>	We received no significant fines or penalties during 2021 for any failure to comply with laws and regulations, or related to product labeling or marketing communications. We did, however, face fines of consequence in environmental matters, which are reported in the corresponding section of the report.
		Describe the significant instances of non-compliance.	
		Describe how it has determined significant instances of non-compliance.	
		<p>Membership associations</p> <p>Report industry associations, other membership associations, and national or international advocacy organizations in which the company participates in a significant role.</p>	Memberships and partnerships that create value Page 19
		<p>Approach to stakeholder engagement</p> <p>Describe the approach to engaging with stakeholders, including:</p> <p>-The categories of stakeholders it engages with, and how they are identified -The purpose of the stakeholder engagement -How the organization seeks to ensure meaningful engagement with stakeholders</p>	<p>As a result of the exercise in 2020 to update and arrive at our current list of stakeholders, we have defined nine groups made up of close to 32 subgroups. This characterization of stakeholders gives us a high degree of precision that can help strengthen continued engagement and build long-term relationships of trust.</p> <p>OUR STAKEHOLDERS ARE *Shareholders/ Investors *Customers *Partners in the Operation *Suppliers *Employees *Institutions *Industry associations *Communities *Civil society</p>

Material aspect	Contents	Description	Location / Response
General disclosures	GRI 2-30	Collective-bargaining agreements	
		Report the percentage of total employees covered by collective bargaining agreements.	N/A
		For employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.	N/A

GRI CONTENT INDEX

Material aspect	Contents Core Option	Heading with the content	Omissions	Page/ Response
Corporate governance and transparency	201-1	Direct economic value generated and distributed	N/A	Organización Terpel S.A. and subsidiaries Page 20
Corporate governance and transparency	201-4	Financial assistance received from government	N/A	Organización Terpel does not receive any kind of government assistance.
Corporate governance and transparency	419-1	Non-compliance with laws and regulations in the social and economic area		Corporate governance and transparency Regulatory compliance Page 35
Corporate governance and transparency	205-1	Operations assessed for risks related to corruption	Information not available: Information is not available regarding the total and percentage of suppliers assessed for corruption-related risks.	100% of Terpel's operations have been assessed to identify risks of corruption (7 regional offices), and 100% of the suppliers (1,414) are evaluated using SARLAFT for risks of corruption and money laundering.
Corporate governance and transparency	205-2	Communication and training about anti-corruption policies and procedures		Corporate governance and transparency ETHICS AND TRANSPARENCY Page 38
Corporate governance and transparency	205-3	Confirmed incidents of corruption and actions taken		Corporate governance and transparency ETHICS AND TRANSPARENCY Page 37

Material aspect	Contents Core Option	Heading with the content	Omissions	Page/ Response
Corporate governance and transparency	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	For reasons of confidentiality, we do not report the total number of legal proceedings in which Terpel has participated.	Each year our employees at all levels of the company fill out the conflict of interest form to indicate any economic, personal, or professional relationships, or relationships of any other type, that could lead to a conflict of interest. The compliance committee evaluates the information and reports it to an employee's direct supervisor, who will then manage conflicts in accordance with the committee's instructions. Members of the Board of Directors must file a declaration of compliance at the beginning of each term, disclosing any relationships that are economic, personal, professional, or of any other nature, in order to manage possible conflicts of interest. Our suppliers and customers also fill out a declaration included in the information update forms to disclose any situations they believe could affect their contractual relationship with the company.
Corporate governance and transparency	207-1	Approach to tax	Information not available: We do not report the relationship between the tax approach and the organization's business and sustainable development strategies.	N/A
Corporate governance and transparency	307-1	Non-compliance with environmental laws and regulations	N/A	Alternative energy sources and climate change Management system Page 65

Material aspect	Contents Core Option	Heading with the content	Omissions	Page/ Response
Corporate governance and transparency	415-1	Contributions to political parties and/or political representatives	N/A	As expressed in our Corporate Affairs Policy, Terpel makes no contributions of any type to political parties. This is also made explicit in our ethics and anti-corruption policies and programs.
Corporate governance and transparency	201-2	Financial implications and other risks and opportunities due to climate change	Information not available: We currently present a general description, without reporting on the parameters required by the GRI.	Alternative energy sources and climate change Page 74
Climate change and new energy	302-1	Energy consumption outside of the organization	We report consumption, but other information is not pertinent (e.g. heating consumption, cooling consumption, steam consumption, in joules, watt-hours, or multiples, the total: i. Electricity sold, heating sold, cooling sold, and steam sold.)	Alternative energy sources and climate change Page 66
Climate change and new energy	302-4	Reduction of energy consumption	N/A	Alternative energy sources and climate change Page 66
Climate change and new energy	303-1	Interactions with water as a shared resource	N/A	Alternative energy sources and climate change Page 68

Material aspect	Contents Core Option	Heading with the content	Omissions	Page/ Response
Climate change and new energy	303-2	Management of water discharge-related impacts	There are environmental standards that regulate the quality of any water to be discharged into bodies of water, the ground, and the sewage system. We therefore take samples and do laboratory analysis to verify compliance with the allowable limits each year and depending on the requirements of the entity. There are currently no sites not covered by the national regulations. We also have an environmental management manual establishing guidelines for controlling discharges during the operation. We confirm that the profile of the receiving waterbody is considered.	Alternative energy sources and climate change Page 72-73
Climate change and new energy	305-1	Direct (Scope 1) GHG emissions	N/A	Alternative energy sources and climate change Page 72-73
Climate change and new energy	305-2	Energy indirect (Scope 2) GHG emissions	N/A	Alternative energy sources and climate change Page 72-73
Climate change and new energy	305-3	Other indirect (Scope 3) GHG emissions	N/A	Alternative energy sources and climate change Page 72-73
Climate change and new energy	305-5	Reduction of GHG emissions	N/A	Alternative energy sources and climate change Page 72-73
Diversity, equity, and human talent	202-2	Proportion of senior management hired from the local community.	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 78

Material aspect	Contents Core Option	Heading with the content	Omissions	Page/ Response
Diversity, equity, and human talent	401-1	New employee hires and employee turnover	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 80-81
Diversity, equity, and human talent	Terpel indicator. Internal personnel	Number of job vacancies filled by internal personnel	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 80
Diversity, equity, and human talent	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 81-82
Diversity, equity, and human talent	401-3	Parental leave	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 82
Diversity, equity, and human talent	404-1	Average hours of training per year per employee.	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 82
Diversity, equity, and human talent	404-2	Programs for upgrading employee skills and transition assistance programs	With respect to transition assistance programs, we have a pre-retirement program that helps employees with their process to retire from their job and gives them tools for their new stage in life. We help them make pension projections, projecting their number of weeks and their employment record, to get ready to receive their pension, and give them social-emotional counseling to make good use of their free time and their life as retirees.	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 83-85
Diversity, equity, and human talent	Terpel indicator. Talent in development	Description of the initiative and the number of employees with development plans	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 83
Diversity, equity, and human talent	404-3	Percentage of employees receiving regular performance and career development reviews	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 85

Material aspect	Contents Core Option	Heading with the content	Omissions	Page/ Response
Diversity, equity, and human talent	Terpel indicator. Super T Awards Program	Number of 'daily' and 'extraordinary' awards, broken down by type of award	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 86
	Terpel indicator. innovation - Únicos	Number of ideas (annual comparison) of the Unique program, % implementation of ideas and number of participants	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 86
Diversity, equity, and human talent	405-1	Diversity of governance bodies and employees	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Pages 79 and 88-92
Diversity, equity, and human talent	406-1	Incidents of discrimination and corrective actions taken	N/A	ORGANIZACION TERPEL'S TALENT IN FIGURES Page 91
Diversity, equity, and human talent	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A	To date, there is no information indicating any risk to freedom of association or collective bargaining at any Terpel operation or supplier.
Supply chain management	204-1	Proportion of spending on local suppliers	N/A	Supply chain management Page 108
Supply chain management	303-3	Water withdrawal	The goal for water withdrawal complies with the environmental regulations.	Alternative energy sources and climate change Water management Page 68
Supply chain management	303-5	Water consumption	Information not available for change in water storage, because it is not quantified.	Alternative energy sources and climate change Water management Page 68
Supply chain management	306-2	Management of significant waste-related impacts	N/A	Alternative energy sources and climate change Waste management Page 69-70
Supply chain management	306-3	Waste generated	N/A	Alternative energy sources and climate change Waste management Page 69-70

Material aspect	Contents Core Option	Heading with the content	Omissions	Page/ Response
Supply chain management	306-5	Waste directed to disposal	N/A	Alternative energy sources and climate change Waste management Page 69-70
Community relations	408-1	Operations and suppliers at significant risk for incidents of child labor	N/A	To date, there is no information indicating any risk of incidents of child labor at any Terpel operation or supplier.
Community relations	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	N/A	To date there is no information indicating any risk of forced or compulsory labor at any Terpel operation or supplier.
Community relations	413-1	Operations with local community engagement, impact assessments, and development programs	N/A	<p>100% of our operations have some of the following elements:</p> <ul style="list-style-type: none"> *Stakeholder engagement plans based on stakeholder mapping; *Committees and consultation processes with local communities, including vulnerable population groups; *Work councils, occupational health and safety committees, and other worker representation bodies to address impacts; *Formal grievance and/or claims processes in local communities. <p>We also have development community development programs for plants prioritized based on their socio-political risks. For further details, see page 113.</p>
Health and safety	403-1	Occupational Health and Safety Management System	N/A	Health and safety Page 99
Health and safety	403-2	Hazard identification, risk assessment, and incident investigation	N/A	Health and safety Identification of hazards and risks Page 100-101

Material aspect	Contents Core Option	Heading with the content	Omissions	Page/ Response
Health and safety	403-3	Occupational health services	N/A	Health and safety Identification of hazards and risks Page 100-101
Health and safety	403-4	Worker participation, consultation, and communication on occupational health and safety	N/A	Health and safety Identification of hazards and risks Page 100-101
Health and safety	403-5	Worker training on occupational health and safety	N/A	Health and safety Identification of hazards and risks Page 100-101
Health and safety	403-6	Promotion of worker health	N/A	Health and safety Identification of hazards and risks Page 100-101
Health and safety	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	N/A	Health and safety The health of our workers Page 100-101
Health and safety	403-8	Workers covered by an occupational health and safety management system	N/A	The OHS-MS applies to 100% of our workers, work centers, and activities.
Health and safety	403-9	Work-related injuries	N/A	Health and safety Occupational health and safety indicators Page 102
Health and safety	403-10	Work-related ill health	N/A	Health and safety Occupational health and safety indicators Page 102



KPMG Advisory, Tax & Legal S.A.S.
Calle 90 No. 19C - 74
Bogotá D.C. - Colombia

Teléfono 57 (1) 6188000
57 (1) 6188100
www.kpmg.com.co

Report of the Independent Auditor of Limited Assurance for Organización Terpel S.A.

We were engaged by the **Organización Terpel S.A.** henceforth, **Terpel** to provide limited assurance in relation to sustainability parameters on the **Sustainability Report** ("the Report") for the year ended Dec 31, 2021.

The Limited Assurance Sustainability Parameters covered by our limited assurance engagement are:

Nº	Sustainability Parameters Insured	Standard Insured
1	Direct economic value generated and distributed	201-1
2	Ratios of standard entry level wage by gender compared to local minimum wage	202-1
3	Proportion of spending on local suppliers	204-1
4	Confirmed incidents of corruption and actions taken	205-3
5	Energy consumption within the organization	302-1
6	Direct (Scope 1) GHG emissions	305-1
7	Energy indirect (Scope 2) GHG emissions	305-2
8	Other indirect (Scope 3) GHG emissions	305-3
9	Waste directed to disposal	306-5
10	New employee hires and employee turnover	401-1
11	Work-related injuries	403-9
12	Work-related ill health	403-10
13	Average hours of training per year per employee	404-1
14	Incidents of discrimination and corrective actions taken	406-1
15	Lost Time Injury Frequency Rate (LTIFR) - Employee	3.7.4
16	Lost Time Injury Frequency Rate (LTIFR) - Contractor	3.7.5
17	Customer satisfaction index for: Service Stations, Aviation, Marine, Industry, Rumbo Terpel, Lubricants	Own
18	Environmental Investment (Amount)	Own
19	Number of spills	Own
20	Number of Service Stations linked to reliable Service Stations	Own
21	Number of findings / Amount of visits / Number of closed findings	Own
22	Kg of lubricant containers collected	Own
23	Certified points of sale with the Green Pass program	Own
24	Value of Social Investment	Own
25	Terpel Foundation: Number of beneficiaries of education programs	Own
26	GRI 2: General Disclosures 2021	2-1 to 2-30



Management's responsibility

Terpel is responsible for the preparation and presentation of the Limited Assurance Sustainability Parameters, which are presented using the GRI standard 2021 version.

These responsibilities include establishing such internal controls as management determines are necessary to enable the preparation of the Limited Assurance Sustainability Parameters that are free from material misstatement whether due to fraud or error.

Terpel is responsible for preventing and detecting fraud and for identifying and ensuring the company complies with laws and regulations applicable to its activities.

Terpel is also responsible for ensuring that staff involved with the preparation and presentation of the description and Sustainability Report are properly trained, information systems are properly updated.

KPMG's responsibility

Our responsibility is to express a limited assurance conclusion on preparation and presentation of Sustainability Parameters described above and included in the Sustainability Report of **Terpel**.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information and the Standard ISAE 3410, Assurance Engagements on Greenhouse Gas Statements issued by the International Auditing and Assurance Standards Board.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. We confirm that we have executed this assignment for **Terpel** independently and free of conflicts of interest.

ISAE 3000 requires that we plan and perform the engagement to obtain limited assurance about whether the limited Assurance Sustainability parameters are free from material misstatement.

Limited assurance on the Assured Sustainability Parameters

Our limited assurance engagement on the Limited Assurance Sustainability Parameters consisted of making enquiries, primarily of persons responsible for the preparation of the Limited Assurance Sustainability Parameters, and applying analytical and other procedures, as appropriate. These procedures included:



- Interviews with management and relevant staff at corporate and selected site level concerning sustainability strategy and policies for material issues, and the implementation of these across the business.
- Enquiries of management to gain an understanding of **Terpel** processes for determining material issues key stakeholder groups.
- Enquiries of relevant staff of **Terpel** and selected site level responsible for the preparation of the Limited Assurance Sustainability Parameters.
- Enquiries about the design and implementation of the systems and methods used to collect and report the Limited Assurance Sustainability Parameters, including the aggregation of the reported information.
- Comparing the Limited Assurance Sustainability Parameters to relevant underlying sources on a sample basis to determine whether all the relevant information has been appropriately included in the Report.
- There were no on-site verifications due to force majeure (COVID-19), which limited the verification of physical evidence.
- Reading the Limited Assurance Sustainability Parameters Presented in the Sustainability Report to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of **Terpel**.

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed. Accordingly, we don't express a reasonable assurance conclusion on the Limited Assurance Sustainability Parameters.

Purpose of our report

In accordance with the terms of our engagement, this assurance report has been prepared for **Terpel**. for the purpose of assisting to **Terpel** in determining if Sustainability Parameters object to assurance are prepared and presented in accordance with the GRI standards and the Global Reporting Initiative (GRI).

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than **Terpel** for any purpose or in any other context. Any party other than **Terpel** who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than **Terpel** for our work, for this independent assurance report, or for the conclusions we have reached.



Our report is released to **Terpel** on the basis that it shall not be copied, referred to or disclosed, in whole (save for than **Terpel**) own internal purposes) or in part, without our prior written consent.

Our conclusions

Our conclusion has been formed based on, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions:

Based on the limited assurance procedures performed and the evidence obtained, as described above nothing has come to our attention that causes us to believe that the limited assurance sustainability parameters defined above of the Sustainability Report of **Terpel**, for the year ended December 31, 2021, is not prepared, and presented, in all its significant aspects in accordance with the GRI standards for the preparation of Sustainability Reports.

In another document, we will provide the Management of the **Terpel**, an internal report that contains our findings and areas for improvement.

KPMG Advisory, Tax & Legal S.A.S.

A handwritten signature in black ink, appearing to read 'Fabián Echeverría Junco', with a stylized flourish at the end.

Fabián Echeverría Junco
TP 62943 - T
Partner
July 21, 2022